

Executive Summary

We initiate coverage on African Gold (ASX:AIG) with a speculative BUY rating, given the strong possibility of rerating on the back of operations in Cote d'Ivoire, one of West Africa's most stable mining jurisdictions.

Flagship asset, Didievi – 3Moz potential with a very high-grade core

- Located on the Birimian belt, with **3 operating depleting mines within 60km, Perseus' Yaouré (3.4Moz), Allied Gold's Bonikro (1.39Moz) and Agbaou (0.77Moz) with 8.3Mtpa regional processing capacity.**
- Maiden (Jul 24) shallow high-grade inferred resource of 452Koz at 2.9g/t. Grades are higher than regional average (0.9-1.56g/t)
- Extensive 10km drilling campaign underway with initial results suggesting potential for 3Moz+ with ongoing systematic exploration.

Strategic Partnerships

- Montage Gold (19.9% Stake): Recent funding from Montage Gold enables AIG to be fully funded for its planned exploration activities and brings development expertise to accelerate Didievi.
- Silvia Bottero, EVP of Exploration at Montage, joins African Gold's board as a Non-Executive Director. Bottero is credited with ~15Moz of gold discoveries across West Africa.

Leading Gold Mining Jurisdiction: Cote d' Ivoire, West Africa

- Cote d' Ivoire is a pro mining stable regulatory framework with infrastructure in sharp contrast to higher risk neighbours such as Mali and Burkina Faso.

Development Scenarios: Three development scenarios, each reflecting distinct operational strategies and capital commitment levels, demonstrate great investment upside. (Gold: US\$ 3000/oz, Discount 10%, USD/AUD:1.5).

Summary of Development Scenarios				
	Parameter	Toll Treatment	Owned Mill	Blue Sky
Assumptions	Resource Base	2.25Moz (750Koz@2.9g/t + 1.5Moz@1g/t)	2.25Moz (same as Toll)	3Moz (1Moz@2.9g/t +2Moz@1g/t)
	Processing Capacity	2.5Mtpa (third-party mills)	2.5Mtpa (dedicated plant)	3Mtpa (dedicated plant)
	Annual Production	133Kozpa	133Kozpa	160Kozpa
	CAPEX	US\$100M	US\$220M	US\$280M
	AISC	US\$1,410/oz	US\$1,200/oz	US\$1,200/oz
DCF Analysis	NPV	A\$1.5B	A\$1.5B	A\$1.9B
	IRR	75%	48%	46%
	Implied Share Price (A\$)	0.42 (3.4x upside)	0.43 (3.4x upside)	0.53 (4.3x upside)
Comparables		EV/Resource Valuation Multiple of A\$112/oz		
	Implied Share Price (A\$)	0.53 (4.2x upside)	0.53 (4.2x upside)	0.7 (5.6x upside)
	Key Advantages	Low upfront capex, rapid cash flow	Operational control, lower AISC	Scalability, Tier-1 acquisition appeal
	Risks	Dependency on third-party mills	Higher financing requirements	Execution complex

Compelling Valuation Upside

- At development stage we expect African Gold to retain A\$112/oz EV/Resource multiple considering higher grade to TCG A\$104/oz (1.6g/t vs 1.2g/t) despite lower resources (Blue Sky, 3Moz vs 3.55Moz).
- Recent interest in exploration and development assets by Lundin, Perseus, Montage and middle eastern players intensifies competition for quality assets, providing favourable environment for rerating
- Near-term value creation could arise from a takeover premium if a credible bidder emerges

Risks: FX, commodity price, 2025 elections, financing, metallurgical and resource confidence.

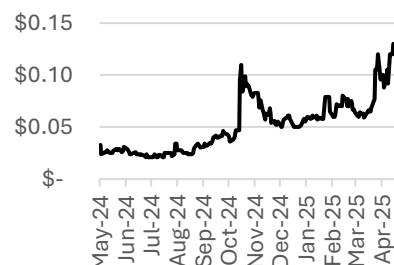
Catalyst	Timeline
Maiden exploration program at Konahiri, highly prospective 18km soil anomaly	H2 2025
Aggressive drilling campaign results (4 rigs)	H2 2025
1Moz resource upgrade at Didievi	H2 2025
Didievi exploration permit renewal	H2 2025
Opportunistic consolidation of proximal land packages	H2 2025

Recommendation	SPECULATIVE BUY
Share Price	A\$0.135
Target Price	A\$0.44
Date	11 May 2025

Company Profile

Market Cap	A\$65M
SOI	480.02
Cash	~A\$9.4M
ADV (3-month)	~2.84M share
52-Week Range	A\$0.14 – 0.02

Price Performance



1 Year	+323.45%
YTD	+242% vs ASX 200
1 Month	+28.87%

Company Overview

African Gold Ltd is an ASX-listed gold explorer focused on high-grade, scalable gold assets in West Africa.

African Gold's portfolio includes the Didievi, Agboville, and Konahiri North projects in Côte d'Ivoire. The company is debt-free and has ~A\$9.4M to address the significant exploration upside. The company is positioned for a valuation re-rating as it advances resource growth and development scenarios at Didievi.

Top Shareholders

Montage Gold	19.9%*
Board of Directors	10.9%
BNP Paribas	10.3%
Blue Falcon	4.59%
Philip Richard Perry	3.44%

Analyst

Eric Samuel	es@eveq.com
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1. Investment Case

African Gold Ltd (ASX:AIG) presents a compelling investment opportunity through its 80%-owned Didievi Gold Project in Côte d'Ivoire, a high-grade, scalable asset in one of West Africa's most stable mining jurisdictions. With a maiden inferred resource of 452Koz gold at 2.9g/t and an exploration target of ~1Moz (2.7–3g/t), Didievi combines rapid development potential with acquisition appeal. The company has strong strategic partnerships with Montage Gold (TSX:MAU), a C\$1.3B company developing Kone (6Moz) in Cote d'Ivoire. Three development scenarios-Toll Treatment, Owned Mill, and Blue Sky-demonstrate NPV ranges of A\$1.5–1.9B and IRRs of 46%–75%, offering 3.4–5.6x upside from the current share price of A\$0.125.

Corporate Snapshot

Market Cap: A\$65M (8 May 2025), debt-free balance sheet

Top Shareholders: Board of Directors (10.9%), Montage Gold (9.59%, increases to 19.9% on 28 May), BNP Paribas (10.3%), Blue Falcon Charters Inc (4.59%), Phillip Richard Perry & Tetyana Perry (3.44%)

Portfolio: Gold exploration projects in Côte d'Ivoire (Didievi, Agboville, Konahiri).

Didievi Project: Flagship Asset

Location: 391km² in the Oume-Fetekro greenstone belt, 60km from three operating mines (Yaouré, Bonikro, Agbaou) with 8.3Mtpa regional processing capacity.

Resource Base

- Maiden Inferred Resource: 452Koz at 2.9g/t (1g/t cutoff)
- Exploration Target: ~1Moz (2.7–3g/t) across 10 prospects.
- Recent Drilling Highlights
 - o Blaffo Guetto: 89m at 3g/t from surface, including 23m at 9.5g/t; 37m at 7.7g/t from 42m, including 24m at 11g/t; 10m at 123.7g/t from 66m, including 2m at 613.1g/t; 65m at 6.5g/t from 177m, and others
 - o Poku Trend: 110m at 0.5g/t from 38m, and others, indicating bulk-tonnage potential
 - o Pranoi: 25m at 1.6g/t from 83m including 10m at 2.4g/t; 15m at 1.7g/t from 51m including 9m at 2.4g/t; 8m at 6.5g/t from 39m, 9m at 4.1g/t from 52m and others – indicating shallow high-grade mineralisation

Investment Differentiators: Why Didievi Stands Out

1. Tier-1 Jurisdictional Advantage

Côte d'Ivoire offers lower political risk versus peers in Mali and Burkina Faso, driven by:

- Stable Mining Code: Corporate tax locked at 25%, royalties at 3–5%, and exploration permits renewable for 4+3+3 years
- Infrastructure: Grid power, sealed roads, and proximity to existing mills reduce capex by 20–30% versus remote peers
- Production Growth: Gold output projected to rise to 62 metric tons by 2025 (14% CAGR), supported by majors like Barrick and Endeavour

2. High-Grade Resource with Scalability

Didievi's 2.9g/t average grade surpasses regional peers like Fetekro (2.3g/t) and Bankan (1.56g/t), enabling lower AISC and faster payback. The project has 11 drill ready targets, and only two prospects outside of Blaffo tested, return significant gold assay results suggesting potential for >3 Moz with systematic exploration. Blaffo itself is open in all directions.

3. Strategic Partnerships De-Risking Development

African Gold (ASX:AIG) entered into a strategic partnership with Montage Gold Corp (CVE: MAU) to advance the Didivi gold project, resulting in Montage and its associates acquiring a 19.9% stake in AIG. The partnership secured A\$9.17M in total investment, which included a non-brokered private placement conducted in parallel,

that raised A\$1.8M from new investors, representing a 5% stake. Key components of the deal included:

- Capital raise: African Gold and Montage Gold completed a share swap worth ~A\$6.47M (~2M Montage shares for ~92M African Gold shares)
- Issued ~12.4M shares to insiders raising A\$866K
- Finalised a non-brokered private placement, raising A\$1.84M through the issuance of ~26M shares.
- Silvia Bottero (EVP Exploration, Montage) joined the Board as Non-Executive Director. Martino De Ciccio (CEO, Montage) appointed as Strategic Advisor.

The partnership does not preclude competing bids or remove the takeover premium from another party in case of credible offers.

4. Acquisition Appeal

Proximity to Perseus' Yaouré (3.4 Moz), Allied Gold's Bonikro (1.39Moz) and Agbaou (0.77Moz), positions Didievi as a strategic fit for regional consolidation.

Development Scenarios and Financial Analysis

We consider three reasonable scenarios around resource base, production capacity, capital intensity and AISC. Our analysis demonstrates multiple pathways to value creation, with 3.4–5.6x upside potential from current levels (A\$0.125/share).

Key Assumptions Across All Scenarios

- Gold Price: US\$3,000/oz (spot-aligned)
- Discount Rate: 10% (West African jurisdictional risk premium)
- Metallurgical Recovery: 85% for non-refractory ore (conservative)
- Mine Life: 25 years (Blue Sky), 22 years (Toll/Owned Mill)

Summary of Development Scenarios				
	Parameter	Toll Treatment	Owned Mill	Blue Sky
Assumptions	Resource Base	2.25Moz (750Koz@2.9g/t + 1.5Moz@1g/t)	2.25Moz (same as Toll)	3Moz (1Moz@2.9g/t +2Moz@1g/t)
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Source: Evolution Capital. Gold: US\$3,000/oz, Discount: 10%, USD/AUD:1.5; Implied share price exc 10% govt free carry, and are 85% risked.

Risk Weighted – Sum of Parts Valuation			
Asset	Value Range	Preferred	Per Share
Didievi (85% risked NPV)	A\$1.5-1.9B	A\$203M	A\$0.42
Cash		A\$10M	A\$0.02
Total			A\$0.44

Upside Drivers

- Grade Leverage: Didievi's 2.9g/t vs. regional range of 0.9–1.56g/t.
- Jurisdiction: Côte d'Ivoire's stable mining code vs. Mali/Burkina Faso's 12–15% equity risk premiums
- Acquisition Optionality: Proximity to Perseus' Yaouré (3.4 Moz) and Allied Gold's Bonikro (1.39Moz) and Agbaou (0.77Moz)
- Near-term value creation could arise from a takeover premium if a credible bidder emerges
- Intensifying competition from players such as Lundin, Perseus, Montage and from middle east for quality assets in the region

Key Risks and Mitigation

- Upcoming 2025 elections could introduce regulatory uncertainty
- Funding Gap for standalone development case: A\$220M CAPEX for owned mill vs. A\$65M market cap. Mitigation: Drill-for-equity agreements and strategic partnerships.
- Grade Variability: High-grade cores offset lower-grade zones (e.g., 155m @1.1g/t). Mitigation: Blending in toll treatment scenario.

Strategic Positioning for Re-Rating

African Gold's Didievi Project offers multiple pathways to value creation, whether through low capex tolling or large-scale integrated operations. With Montage's backing and proximity to regional hubs, Didievi is positioned for either standalone development or acquisition by a major. Investors gain exposure to high-grade ounces in a stable jurisdiction, with 3.4–5.6x upside across development scenarios.

2. West Africa: A Leading Gold Mining Jurisdiction

Gold Mining in West Africa

West Africa is one of the most significant mining regions for gold with the highest gold production in the world at 16Moz (2021), 14% of the global production. There has been an 80% increase in gold production over the last decade, and six of the top 10 gold producers have presence in West Africa. Key gold mining activities are carried out in the Birimian greenstone belt spanning Ghana, Mali, Burkina Faso and Cote d'Ivoire. Deposits in West Africa are characterised by smaller shallower outcropping deposits ideal for open-pit mining.

The key drivers West Africa's success in gold production are its resource base, quick timelines to production and lower capital intensity for development.

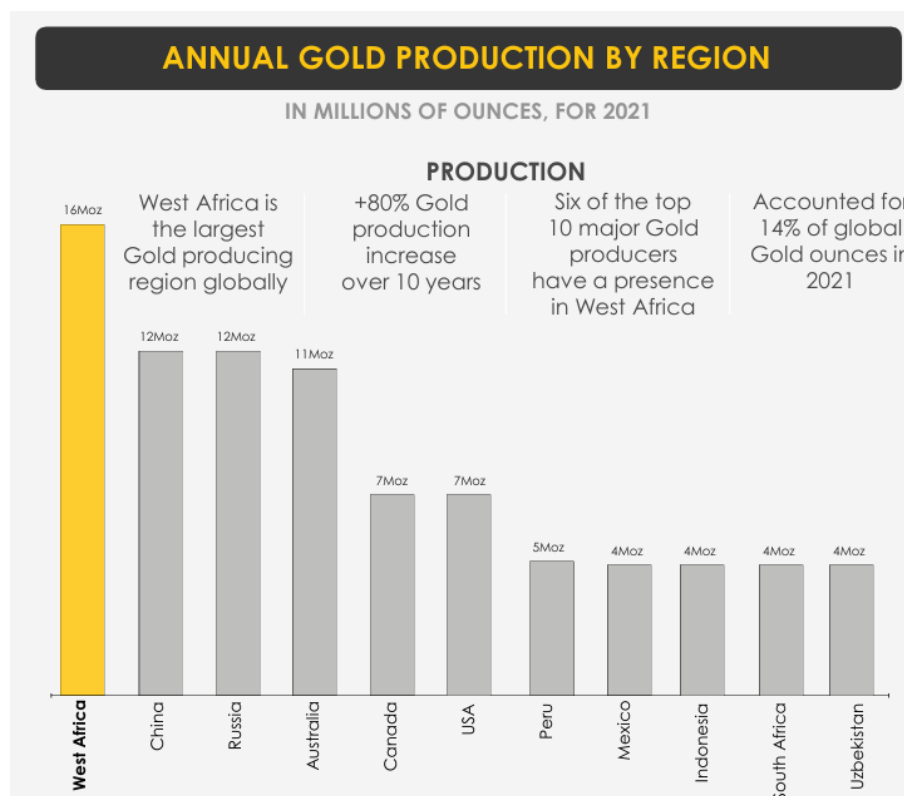
- The region has reported the largest number of discoveries in the world the past decade, about 67Moz, and remains significantly underexplored.
- The average time to develop a mine in West Africa is around 1.7 years. The capital intensity is the lowest in the peer group at \$103/oz, ~27% lower than similar developments in Oceania.

West African gold production is driven by Ghana (6.7moz), Mali (2.1moz), and Burkina Faso (1.8moz). Production in Mali and Burkina Faso is projected to decline by 5.5% in 2024 due to political unrest and mine closures, while Côte d'Ivoire and Niger are expected to grow at a 6.2% CAGR through 2030. Reserves remain robust, with Ghana holding 1,600 tonnes and Mali 800 tonnes, though declining grades and underinvestment in exploration threaten long-term sustainability.

While the region offers high grade deposits and low-cost operations, geopolitical instability, regulatory shifts and artisanal mining pose challenges in the region. The governments in the region are increasingly focused on improving regulatory transparency and streamlining the administrative process.

Major Gold Mining (Production) Assets in West Africa

Asset	Operator	Jurisdiction	Resource (Moz)	Grade (g/t)	2024 Production (Koz)
Ity	Endeavour	Côte d'Ivoire	7.8	1.5	250+
Yaouré	Perseus	Côte d'Ivoire	3.4	1.3	250+
Agbaou	Allied Gold	Côte d'Ivoire	0.77	1.5	78
Bonikro	Allied Gold	Côte d'Ivoire	1.39	1.15	87
Loulo-Gounkoto	Barrick	Mali	18.1	4.2	680+
Fekola	B2Gold	Mali	5.6	3.5	600+
Ahafo South	Newmont	Ghana	8.2	1.8	600+
Tarkwa	Gold Fields	Ghana	10	1.2	500+
Edikan	Perseus	Ghana	4.2	1.1	200+
Damang	Gold Fields	Ghana	4.2	1.4	150+
Bibiani	Asante	Ghana	2.1	3.7	180+
Obuasi	AngloGold	Ghana	8.7	7.9	300+
Houndé	Endeavour	Burkina Faso	5	2	250+
Sanbrado	WAF	Burkina Faso	2.7	1.7	400+
Siguiri	AngloGold	Guinea	6.9	0.9	200+
Tasiast	Kinross	Mauritania	9.3	1.5	600+
Sabodala-Massawa	Endeavour	Senegal	9.5	1.9	400+



Strategic Investments Signal Growing Interest

The West African gold sector has witnessed a significant surge in strategic investments over the past 12 months, with major mining houses and investment groups positioning themselves to capitalize on the region's exceptional gold potential. These investments underscore the growing recognition of West Africa as a premier gold mining destination and highlight the competitive landscape for high-quality assets in the region.

Zijin, Lundin and Perseus invest in PDI

In February 2025, PDI secured A\$69.2M through a strategic placement to the Lundin family and Zijin Mining Group. The Lundin family invested A\$45.1M to acquire a 6.5% shareholding, while Zijin contributed A\$24.1M for a 3.5% stake. Perseus Mining also acquired an additional 19.9% stake in PDI.

Montage Gold and Lundin invest in Sanu Gold

Montage Gold has been strategically expanding its West African presence through targeted investments in junior explorers with promising assets. In late 2024, Montage entered a strategic partnership with Sanu Gold, obtaining a 19.9% ownership stake. Lundin took up an additional 10% stake. The deal funded exploration, boosting Sanu's share price from A\$0.07 to A\$0.37.

Like Sanu, Montage Gold partnership with African Gold positions AIG for stronger growth and value creation. The partnership has been covered in Financials section below.

Middle Eastern Investment Fuelling Growth

The influx of Middle Eastern capital represents an emerging trend in West African gold finance. Allied Gold established a strategic partnership US\$250M with UAE-based Ambrosia Investment Holding, realizing immediate value from its Sadiola mine in Mali. Similarly, Asante Gold Corporation has secured operational momentum at its Bibiani mine in Ghana through a US\$100M gold forward sale agreement with Fujairah, a strategic partner from the Middle East.

The recent wave of strategic investments signals an accelerating trend toward consolidation in the West African gold sector. With gold prices maintaining strength into early 2025, acquisition activity has intensified. This trend is expected to continue through 2025, driven by the scarcity of major new gold discoveries and the strategic imperative for producers to replenish reserves. The entrance of major players into West Africa further intensifies competition for quality assets, potentially triggering valuation rerating across the sector.

Resolute to buy Doropo & ABC Gold Projects in Cote d'Ivoire for A\$150M

Resolute Mining is reportedly set to acquire the Doropo and ABC gold projects in Côte d'Ivoire for A\$150M. The Doropo project, previously owned by Centamin, is a significant open-pit gold development in the northeast of Côte d'Ivoire, covering 1,850 km² and containing 13 gold deposits. A definitive feasibility study completed in 2024 confirmed robust project economics, with a projected 10-year mine life, average annual production of 167koz of gold, and a total construction capital expenditure of A\$373M. The ABC project is at an earlier exploration stage, with an inferred resource of 2.15Moz. These acquisitions align with Côte d'Ivoire's growing gold sector, which is attracting substantial foreign investment and is expected to reach record production levels in 2025.

Gold Mining in Cote d'Ivoire

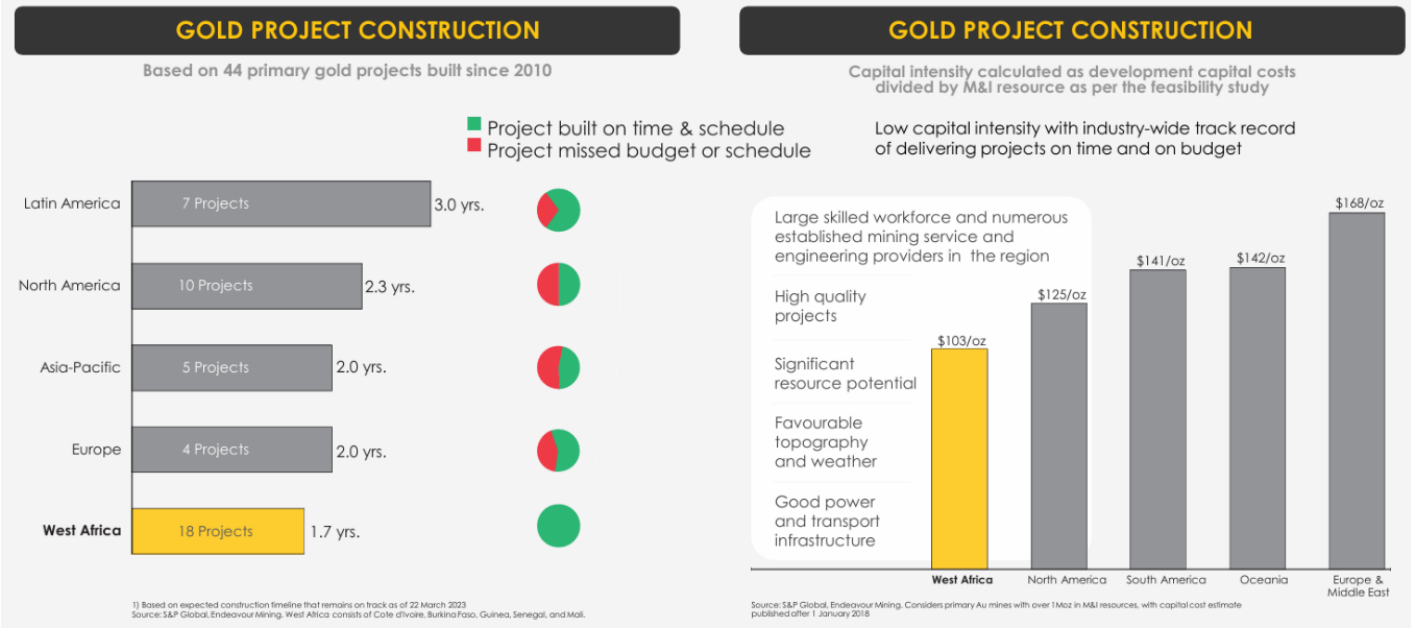
Côte d'Ivoire holds 35% of the Birimian Belt but has only recently accelerated exploitation, with production rising from 12 tonnes in 2011 to 32.5 tonnes in 2019. Côte d'Ivoire's gold production is projected to reach a record 62 metric tons in 2025, up from 58 tons in 2024 through 8 major gold mines operated by Barrick, Endeavour, Perseus, Tietto, Allied Gold and Fortuna.

The country is a proven jurisdiction for mine development with modern, transparent and attractive mining code. The 2014 Mining Code (amended in 2018) also provides fiscal stability with corporate taxes locked at 25% and royalties at 3–5%. However, the government announced plans in July 2024 to revise the code to increase state profits, potentially altering royalty structures and local content requirements. Despite this, streamlined permit approvals and 4+3+3-year exploration terms continue to attract foreign investors, with US\$1.2 billion in FDI in 2023. Permits require relinquishing 25% of the area upon renewal unless ongoing exploration is demonstrated.

Côte d'Ivoire has an extensive network of sealed roads, grid power and HV transmission lines, a skilled workforce and contractors, and continues to invest in infrastructure to support mining growth, including road networks linking Abidjan to northern regions. The sector's expansion aligns with efforts to reduce reliance on cocoa. By 2030, gold could contribute 15% of GDP, up from 8% in 2024.

While Cote d'Ivoire does not suffer from pronounced political instability and resource nationalism, the key challenges in terms of mining are artisanal mining, with illegal operations account for ~20% of output, complicating formal sector growth, and permit delays, with 30% of applications facing 12–18-month delays due to environmental audits.

The Mining Code of Cote d'Ivoire mandates that mining permits are subject to a grant of a 10% free carried interest in the favour of the government in the share capital of the project company. In addition, the government may acquire upto 15% of the share of the project company, provided the acquisition of the additional shares will be at market price and subject to negotiations between the parties.



3. African Gold Ltd

Introduction

African Gold Ltd is an ASX listed (ASX: AIG) gold exploration company with a market cap of A\$60M (6 May 2025). The company has ~A\$9.4M in cash and equivalents (07 May 25) and no debt on its balance sheet.

The company holds a promising portfolio of prospect projects in proven gold belts of Cote d'Ivoire, with the Didievi Project in Cote d'Ivoire its flagship exploration target. African Gold holds majority stake in the tenements it holds in Cote d'Ivoire.



Resources

The company announced its maiden mineral resource estimate for the Blaffo Guetto Prospect at the Didievi Project on July 30, 2024, reporting:

Didievi Project Maiden Mineral Resource			
Classification	Tonnage (Mt)	Grade (g/t)	Contained Gold (Koz)
Inferred	4.93	2.9	452

This resource estimation represents only the first of several prospective zones within the broader Didievi Project and is based on 29 diamond drillholes (6,945m) and 174 reverse circulation drillholes (14,923m). The resource remains open in multiple directions and at depth. The company has defined a significant exploration target for the broader Didievi Project area, excluding the established Maiden Resource. Recent drilling highlights from the company provide comfort for exploration success.

- Blaffo Guetto: 52m at 2.9g/t (including 11m at 11.2g/t)
- Poku Trend: 110m at 0.5g/t, indicating bulk tonnage potential
- Pranoi: 25m at 1.6g/t from 83m including 10m at 2.4g/t; 15m at 1.7g/t including 9m at 2.4g/t; 8m at 6.5g/t from 39m – indicating shallow high-grade mineralisation

Historic Exploration Target excluding Maiden Mineral Resource				
Inferred Target	Cut-off (g/t)	Tonnage (Mt)	Grade (g/t)	Metal (Koz)
Minimum	1	19	2.7	162
Maximum	1	10.1	3	971

Source: African Gold Investor Presentation Feb 2025

The current resource and grade places the company very competitively in the spectrum of major gold discoveries and operational mines across the world.

Financials

The company reported A\$8.5M in net assets as of FY24, and a net loss of A\$7.2M, of which A\$1.4M was cost of exploration and evaluation. The company has ~A\$9.4M in cash and equivalents and no debt on its balance sheet.

The spending in exploration has been significant since FY22 at about ~A\$950K and further increased to A\$1.4M in FY25, on the back of increasing gold prices from ~US\$1,773/oz in 2020 to ~US\$3,000/oz+ in 2025.

The company has used a mix of equity raises and strategic partnerships to fund its exploration in the last 4 years.

Private Placement, 2021 - African Gold executed a non-brokered private placement of 25M units at A\$0.14 per share in Oct 21, raising A\$3.5M. Each unit included a half-warrant exercisable at A\$0.25 within 24 months.

African Gold retains a 20% carried interest or the option to dilute to a 1.5% net smelter royalty post-feasibility.

Right Issue to advance the Didievi Project: On 30 April 2024 a non-renounceable pro-rate offer of ordinary paid shares at an issue price of A\$0.02 each to eligible shareholder based on 3 new shares for every 5 on the record date, with entitlements not taken up included in a shortfall offer. The company was able to raise A\$1.08M before costs against a target of A\$2M. Subsequently by Aug 24, through the shortfall (A\$0.8M) and a two-tranche institutional placement (A\$1.1M), African Gold raised another A\$1.9M.

Drill for Equity Agreement with Easy Drilling: On 20 Nov 2024 African Gold signed a drill-for-equity agreement with Easy Drilling to support a substantial 10km diamond drilling program at Didievi. Under this partnership the company can elect

to pay 50% of the incurred drilling cost in African Gold shares with the issue price to be based on the next capital raising.

Partnership with Montage Gold: On 25 Mar 25, African Gold announced a strategic partnership with Montage Gold Corp (TSX; MAU; OTCQZ: MAUTF) to advance the Didievi gold project. The partnership secured A\$9.17M in total investment, which included a non-brokered private placement conducted in parallel that raised A\$1.84M from new investors representing a 5% stake.

Montage has delivered a successful track record with Kone gold project (4+ Moz) and Sanu Gold (CNSX: SANU) which delivered significant returns. Montage will oversee exploration at Didievi with costs covered by African Gold and executed through a joint technical committee.

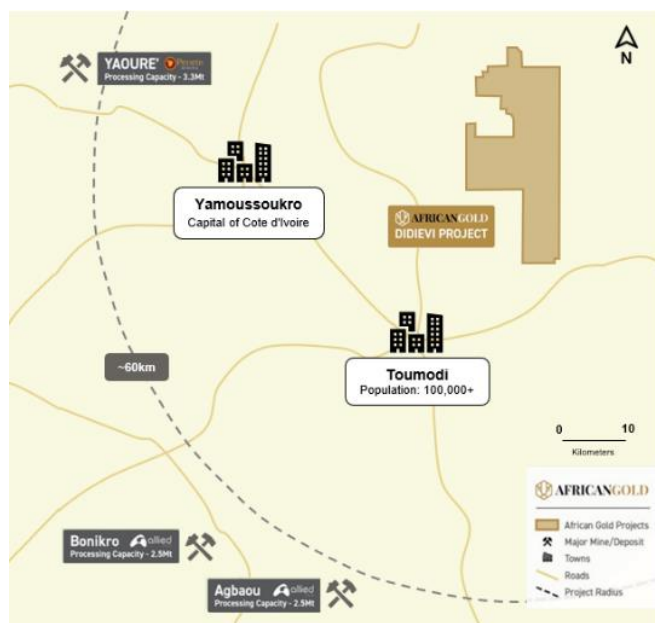
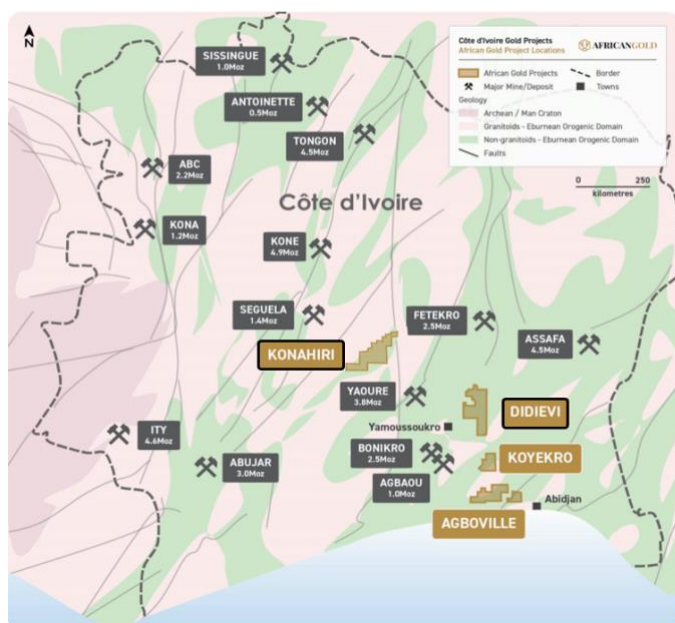
Key components of the deal include

- African Gold and Montage Gold completed a share swap worth ~A\$6.47M (~2M Montage shares for ~92M African gold shares)
- Issued ~12.4M shares to insiders raising A\$866K
- Finalised a non-brokered private placement raising A\$1.84M through issuance of ~26M shares
- Silvia Bottero, Montage's EVP of Exploration, joined African Gold's board as Non-Executive Director. Silvia is credited with discoveries of about 15Moz in total in West Africa.
- Martino De Ciccio (CEO, Montage) was appointed as a Strategic Advisor. Martino holder experiences developing projects with Endeavour.
- Montage has been assigned first right of refusal on certain asset-level transactions and pre-emptive rights to acquire 20% project level shareholding in Didievi owned by minority shareholders.

The strategic partnership is intended to accelerate the exploration at Didievi. African Gold is well-funded, with A\$9.4M in cash and equivalents post-transaction to advance exploration. The company aims to use the funds to create value at its other tenements as well.

Operations in Cote d'Ivoire

African Gold's diversification in Cote d'Ivoire was through 2020 option agreement to acquire 80% stake in Kauroufaba Gold, securing one granted permit, Didievi, and 3 applications in the Oume-Fetekro and Hire greenstone belts in Cote d'Ivoire.



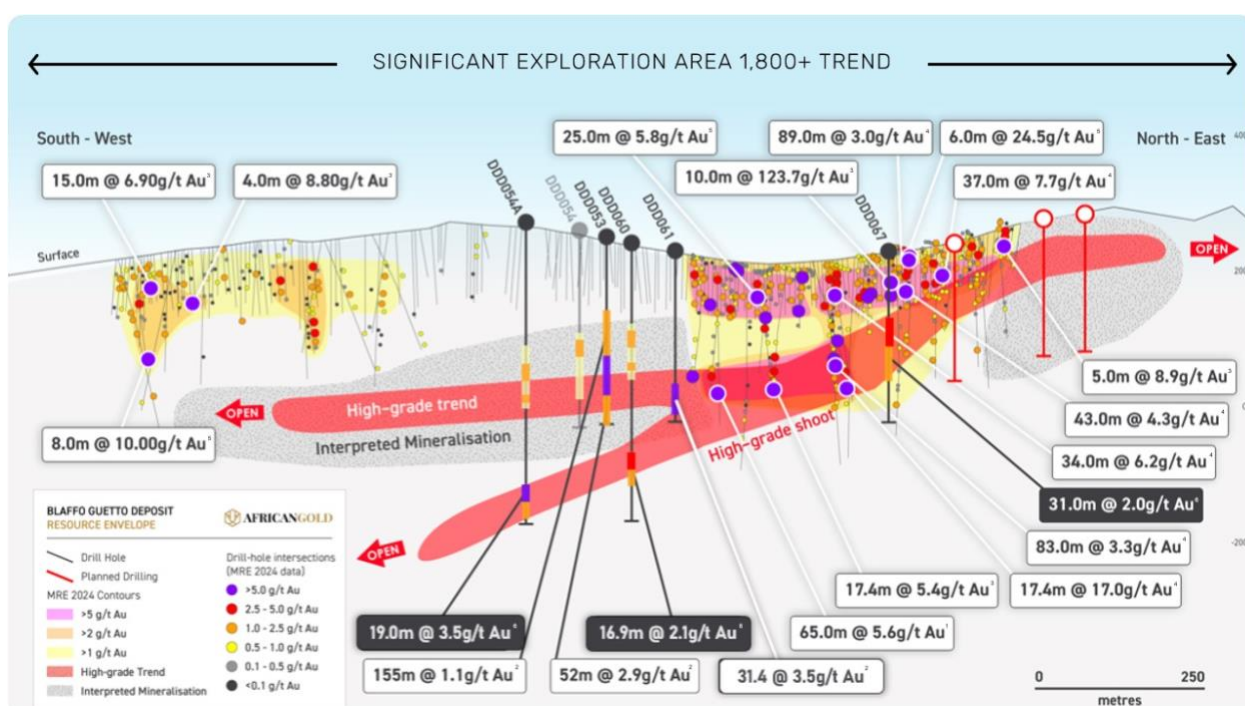
Didievi Project

Didievi Project is a high-grade exploration target covering 391km² within underexplored and emerging Oume-Fetekro Birimian greenstone belt, which has 3 operating mines (Perseus's Yaoure, 3.4Moz; Allied Gold Bonikro and Agbaou, 2.2Moz) and gold mills (total 8.3Mt nameplate capacity) within 60km. The project was identified through the historic presence of artisanal minerals, which on further exploration uncovered significant gold mineralisation potential. The project has 10 active prospects and has ample room for additional exploration of untested areas.

Blaffo Guetto is the prime prospect within the Didievi tenements. On 30 July 2024 a maiden inferred gold resource was announced, estimating 4.93Mt of ore containing 452Koz of gold at 2.9g/t, 1g/t being the cut-off grade. This resource is identified as a shallow high-grade resource suitable for open-pit mining at later stages. An upgraded drilling programme commenced as of 28 Aug 2024 to further explore the prospect. The company aims to produce a significant resource update at Blaffo Guetto with 1Moz at 2.9g/t in H2 2025, with announcements upto the time of analysis show high grade mineralisation demonstrated shallow and open at depth.

- 89m at 3g/t from 0m, including 23m at 9.5g/t
- 69m at 2.9g/t from 31m, including 37m at 4.9g/t
- 37m at 7.7g/t from 42m, including 24m at 11g/t
- 43m at 4.3g/t from 57m, including 17m at 9.5g/t
- 10m at 123.7g/t from 66m, including 2m at 613.1g/t
- 31m a 2g/t from 97m, including 11m at 4.3g/t
- 83.3m at 3.3g/t from 166.9m, including 18m at 12g/t
- 65m at 5.6g/t from 177m, including 22m at 10.9g/t
- 17.4m at 17g/t from 244m, including 1m at 216g/t
- 31.4m at 3.5g/t from 250m, including 18m at 5.6g/t
- 19m at 3.5g/t from 365m, including 7m at 5.9g/t
- 17m at 2.1g/t from 304m, including 7m at 4.5g/t

The Didievi exploration permit was granted in Nov 2019, and the next renewal is due in 2026. According to Ivorian mining code, African Gold is obligated to relinquish 25% of the exploration permit upon renewal, and the company has identified barren non gold bearing zones in its tenements that will allow it to meet its obligations without sacrificing potential resources.



Proximity of Didievi with existing operations

The Didievi Project's strategic location within Côte d'Ivoire's Oumé-Fetekro greenstone belt positions it within 60km of three multi-million-ounce gold mines and associated processing infrastructure, underscoring its potential to replicate the success of neighbouring deposits.

This proximity to established operations enhances Didievi's exploration promise by providing geological analogues, infrastructure access, and potential toll-milling opportunities. The concentration of 8.3Mtpa of processing capacity within 60 km provides African Gold with optionality for toll treatment, significantly reducing upfront capital expenditures. Yaouré's 3.3Mtpa carbon-in-leach (CIL) plant, operating at 1.3g/t head grades, offers a compelling benchmark for Didievi's high-grade ore. Historical precedent exists for third-party ore processing in the region, such as Endeavour Mining's Fetekro project utilizing spare capacity at the Ity mine.

Operations close to Didievi	Bonikro, Allied Gold	Agbaou, Allied Gold	Yaouré, Perseus
Current Measured and Indicated Resource	33Mt at 1.32g/t	13Mt at 1.99g/t	57mt @ 1.31g/t
Contained (Moz)	1.39	0.77	3.4
Mine type	Open pit	Open Pit	Open Pit
Plant Capacity (Mt)	2.5	2.5	3.3
AISC (US\$/oz)	\$1,220	\$2,308	\$943
Production (Koz)	1002.9	721.2	250.8
Proven mineral reserves grade (g/t)	0.71	2.01	0.78

Other prospects in the Didievi Project

Poku Trend - (9km Strike)

A prospect lying 3km from Blaffo Guetto is a part of the untested long 9km strike (soil anomaly). The initial assay from 6 holes were released in Apr 25, with results such as.

- 110m at 0.5g/t gold from 38m, including several 10m+ intervals of 0.7g/t
- 24m at 0.5g/t gold from 84m
- 16m at 0.3g/t gold from 50m

Pranoi Prospect – (3km Strike)

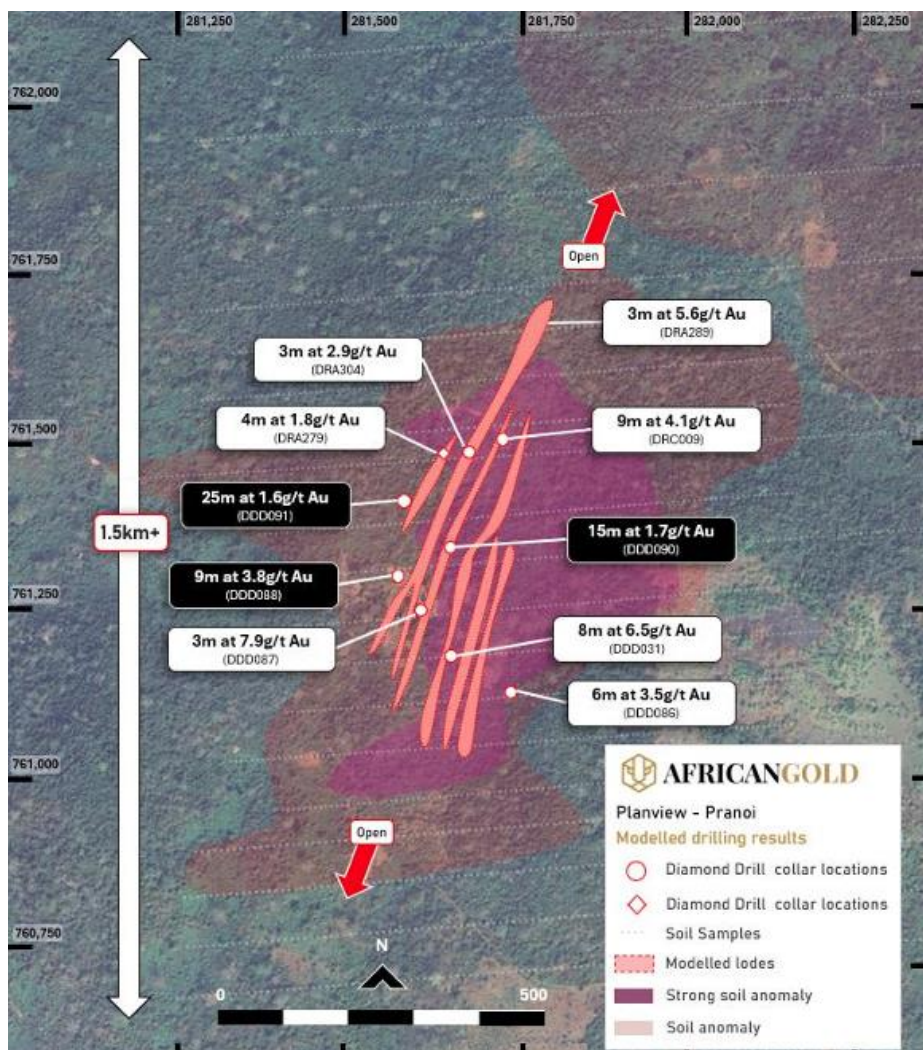
Located 11 km north of Blaffo Guetto, Pranoi is being drilled to unlock a maiden satellite resource. Recent (6 May 2025) drilling results confirm continuous mineralisation over 600m of strike with the potential to extend beyond 1.5km, similar to 1.8km strike length of Didievi.

- 25m at 1.6g/t from 83m, including 10m at 2.4g/t and 10m at 1g/t from 145m
- 15m at 1.7g/t from 51m including 9m at 2.4g/t
- 9m at 3.8g/t from 109m

Previous results at Pranoi were:

- 8m at 6.5g/t from 39m
- 9m at 4.1g/t from 52m
- 3m at 7.9g/t from 66m
- 6m at 3.5g/t from 154m
- 3m at 5.6g/t from 24m

The drilling results represent the first interception of over 20m of gold mineralisation reaffirming the presence of much larger system, similar to the shallow high-grade type at Blaffo Guetto, and offer significant upside for defining an economic satellite resource.



Kouassi Prospect – (2km Strike)

Located 2km north of Pranoi prospect, Kouassi has a shown remarkable result that include 12m at 4.5g/t gold and 40m at 1.72g/t gold including 20m at 3.13g/t gold in shallow trenching.

Yakpabo Prospect – (5km Strike)

Located in the far north of Didievi, Yakpabo has results such as 16m at 3.07g/t gold plus a 1.3km long, 45m+ wide soil anomaly.

Boni Androkro – (2km Strike) is a newly defined 1.4km 221ppb gold anomaly close to greenstone contact.

GCH1 is characterised by 1.3km long 48m wide soil anomaly peaking upto 1.14g/t gold. Initial drilling results at this prospect has led to 16m at 3.07g/t gold and 3m at 5.53g/t gold.

Jimmy Walker is located 4.5km from Pranoi and has been found to have 1.7km soil anomaly defined at 100ppb gold lower cut-off.

Konahiri Project

The Konahiri Project spans 391 km² in central Côte d'Ivoire, situated along the Oumé-Fetekro greenstone belt. It lies approximately 50 km northeast of the Bonikro gold mine (+3Moz) and along strike from Tietto Minerals' Abujar project, a regional analogue hosting 3.3Moz resources. The permit was granted in early 2022, with exploration accelerating in late 2023 through systematic geochemical surveys.

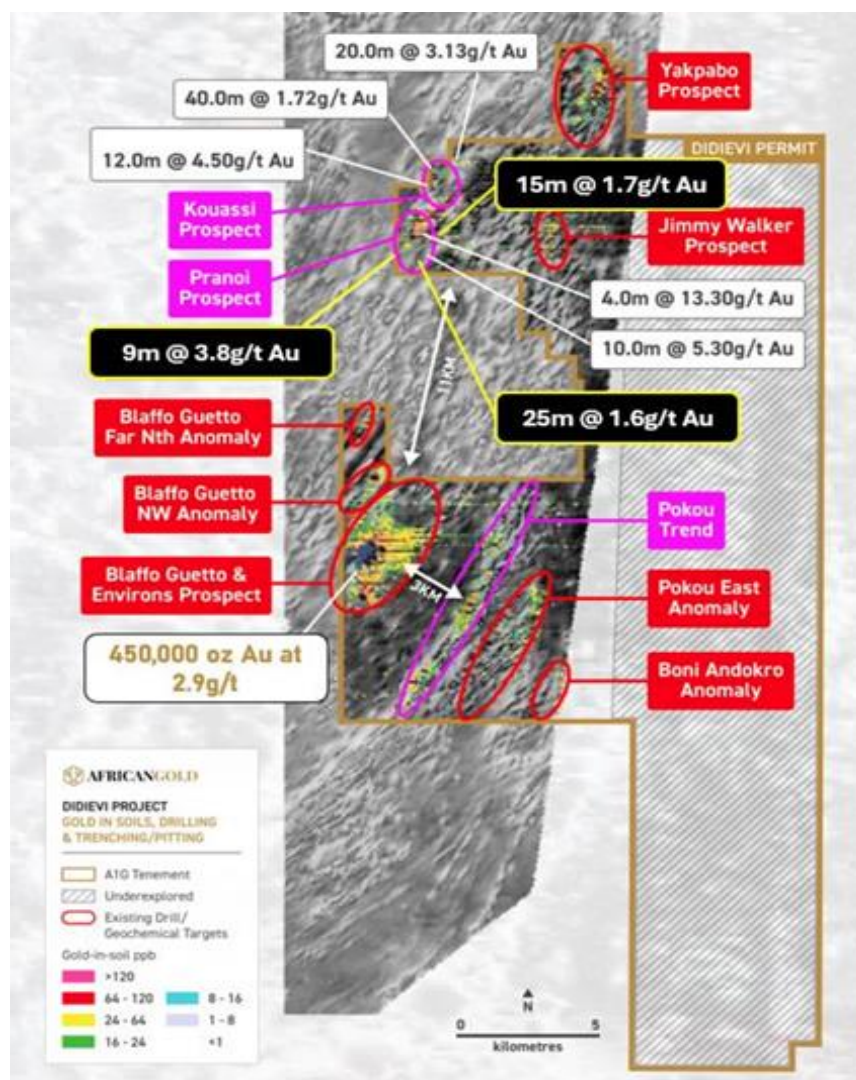
A 123-hole composite lag sampling was carried out in 2023-24 which identified a robust gold anomaly along an 18km strike length, and containing about +100ppb gold and peak values of 1.18g/t. The results exceed typical background levels found in Birimian greenstone belt terrains, and the anomaly's continuity and alignment suggest a district-scale system similar to the 2.5Moz Fetekro discovery 50km to its south. The company aims to carry out infill sampling to further refine drill targets along the 18km anomaly.

Agboville Project

Agboville is a strategically located set of prospects for gold and other critical minerals including nickel, cobalt, copper, lithium, tantalum etc. The project covers an area of ~1,187 km² and is sited on the Ghana-Cote d'Ivoire Birimian greenstone belt. The exploration permit is in place until 2027 (second renewal).

The project aims to find multi-million oz gold deposits such as Newmont's Ahafo (17Moz) and Akyem (7Moz) on the same belt. A 6,000-metre, 174-hole Air Core drilling program was completed in Q2 2019, targeting the Tyche Prospect, 10 km of the +30 km northeast-trending gold-in-soil anomaly, where a shear zone extending over 1 km and intense shear zone upto 30m wide were found confirming a bedrock source to the gold anomalism. Notable drill intercepts are.

- 9m at 1.24g/t, including 1m @ 4g/t from surface
- 6m at 1.12g/t from surface (within a 20m @ 0.44g/t from 0m)
- 6m at 1.42g/t from 8m
- 5m at 1.02g/t from 34m



4. Management

Adam Oehlman was appointed the CEO in Oct 2024 and holds strong technical and commercial experience from his roles in Hancock Prospecting, Rio Tinto, Gold Fields, Billabong Gold and Northern Star. He is supported by competent board, largely unchanged since 2020, with the expertise in leading corporate finance (Tolga Kumova, Aston Minerals and Macro Metals Ltd; Mathew O'hara, Benz Mining Corp, Peak minerals Ltd and Pearl Gull Iron Ltd), geology and geophysics (Peter Williams, Hawk Resources, Benz Mining Group).

As a part of recent Montage Gold partnership, Silvia Bottero, Montage's EVP of exploration will join African Gold board, and Martin De Ciccio, CEO Montage, will serve as a strategic advisor.

ADAM OEHLMAN, Chief Executive Officer



Adam Oehlman is an experienced mining professional with a strong background in both technical and commercial roles. He has held key technical positions at leading mining companies such as Northern Star, Superior Gold, and Goldfields, and developed commercial expertise in business development and strategic analysis. Most recently, as Principal Investment Analyst at Hancock Prospecting.

EVAN CRANSTON, Executive Chairman



Evan is an experienced mining executive with a background in corporate and mining law. He is the principal of corporate advisory and administration firm Konkera Corporate and has extensive experience in the areas of equity capital markets, corporate finance, structuring, asset acquisition, corporate governance and external stakeholder relations. He holds a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia.

TOLGA KUMOVA, Non- Executive Director



Mr Tolga Kumova has 15 years' experience in stockbroking, corporate finance and corporate restructuring, and has specialised in initial public offerings and capital requirements of mining focused companies. He has raised in excess of A\$500M for mining ventures, varying from inception stage through to construction and development.

MATHEW O'HARA, Non- Executive Director



Mathew is a Chartered Accountant with 16 years' professional experience in corporate finance, financial accounting and corporate governance. His experience includes being employed by, and acting as, Director, Company Secretary and Chief Financial Officer of several companies, predominantly in the resources sector. Prior to these roles, he spent more than a decade working as an Associate Director at an international accounting firm in both the Corporate Finance and Audit divisions.

PETER WILLIAMS, Non- Executive Director



Mr Williams is the former Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered three-component 3D time domain electromagnetic applications. Peter has extensive experience in successful exploration for different mineral systems around the world. Advisory Board of the Institute of Mineral and Energy Resources at the University of Adelaide. He is currently Managing Director of ASX listed Alderan Resources Ltd and is a Non-Executive Director of Benz Mining Corp. (TSX-V listed).



SILVIA BOTTERO, Non-Executive Director

Silvia Bottero brings 20+ years of gold exploration leadership to African Gold’s Board, having directly contributed to 15Moz of gold discoveries across West Africa’s Birimian Belt. As Executive Vice President of Exploration at Montage Gold Corp (TSX:MAU), she spearheads the development of the 6Moz Koné gold project in Côte d’Ivoire, leveraging her prior success in discovering the 4.5Moz Ity mine and 2.5Moz Lafigué deposit. Bottero’s technical expertise spans brownfield and greenfield exploration, with a proven ability to advance projects from grassroots discovery to feasibility studies.

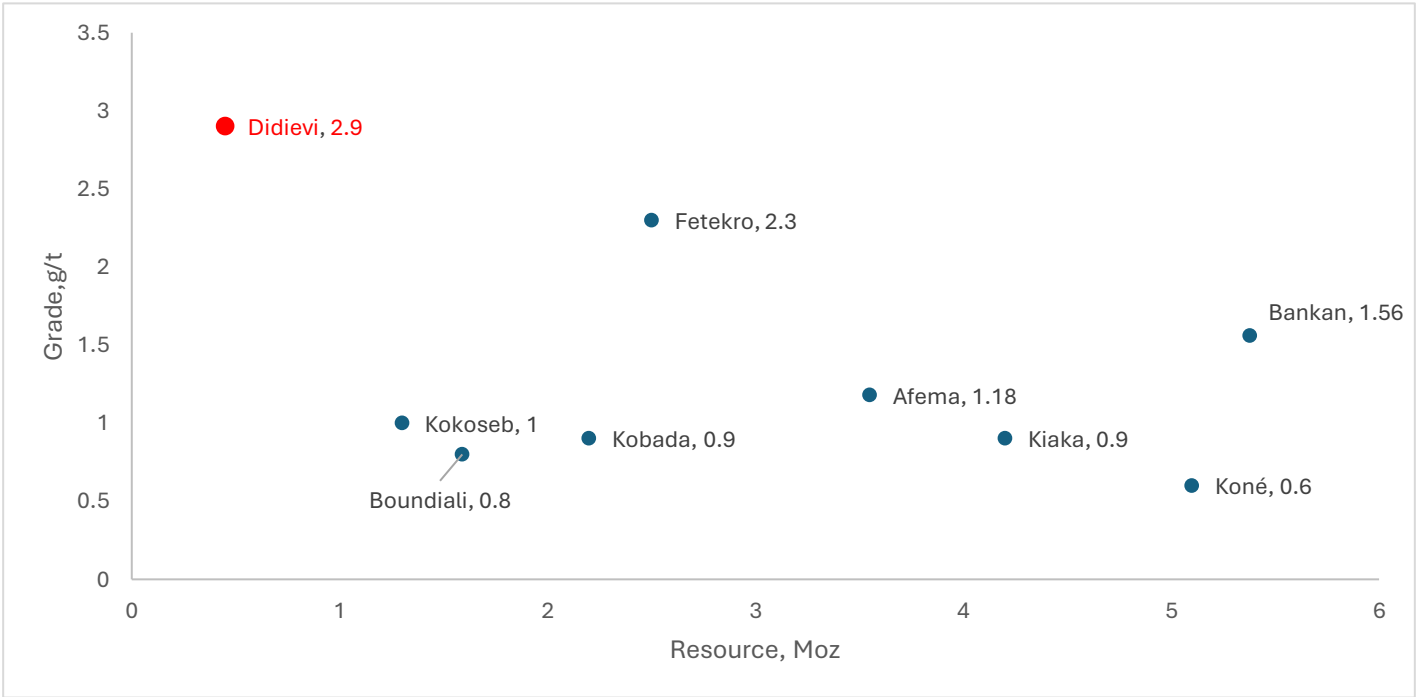
5. Peer Analysis

Comparables

The following table compares Didievi with other pre-production assets in the West African region. As is evident from the data, Cote d’Ivoire projects benefit from low political risks, stable mining codes and infrastructure access, as reflected in the higher EV/resource multiples. Advanced stage projects command a higher multiple, ~150A\$/oz, tempered by resource, reserves and jurisdiction risks.

Didievi Comparable Gold Assets in West Africa						
Project	Company	Jurisdiction	Jurisdiction Risk	Resource (Moz)	Grade (g/t)	Stage
Didievi	AIG	Côte d’Ivoire	Low	0.45	2.9	Exploration
Afema	Turaco	Côte d’Ivoire	Low	3.55	1.18	Exploration
Boundiali	AUE	Côte d’Ivoire	Low	1.59	0.8	Exploration
Kokoseb	WIA	Namibia	Low-Mod	1.3	1	Exploration
Kobada	Toubani	Mali	High	2.2	0.9	Feasibility
Koné	Montage	Côte d’Ivoire	Low	5.1	0.6	Development
Fetekro	Endeavour	Côte d’Ivoire	Low	2.5	2.3	Development
Bankan	PDI	Guinea	Moderate	5.38	1.56	Development
Kiaka	WAR	Burkina Faso	High	4.2	0.9	Development

*Using USD/A\$ FX Rate of 1.5. Source: Evolution Capital



West Africa is an established mining jurisdiction, and notable major producing in West Africa peers, as tabulated below, have a multi-million-ounce resource base, with a grade lower limit of ~1.1g/t. Peer comparison suggests a clear upside to successful exploration and developments at Didievi as

- It is one of the latest and notable high-grade discoveries in the region at a grade of 2.9g/t.
- The company aims to target 1Moz+ in resource by H2, 2025. Recent drilling success at Blaffo Guetto and Poku Trend suggests scalability beyond 1Moz, mirroring discoveries like Bankan (5.38Moz).
- Côte d'Ivoire's mining-friendly regime reduces political risk, a critical factor for majors like Endeavour and Barrick.

The potential upside also increases Didievi as a target for acquisition given Montage's stake and operational involvement, providing a clear pathway for consolidation, similar to Endeavour's acquisition of SEMAFO in 2020. There is a potential for competitive bidding for the asset, given likes of Endeavour, which already operates Houndé (Burkina Faso) and Ity (Côte d'Ivoire); seeks high-grade, low-cost assets, and Perseus, which looks to expand in Côte d'Ivoire (Yaouré Mine), possibly integrating Didievi into its regional hub.

Operational Benchmarks

Processing and Recovery: Non refractory ores typically achieve 85-95% gold recovery, and refractory ores max out at about 85%, requiring oxidative pretreatment of the ore. The recovery rates for non-refractory extraction for peer operations in West Africa suggest a recovery of ~95%.

Non-Refractory Processing Benchmarks in West Africa			
Project (Country)	Operator	Recovery Rate (%)	Processing Method
Kiaka (Burkina Faso)	West African Resources	90	CIL
Tarkwa (Ghana)	Gold Fields	97.2	CIL with gravity circuit
Sanbrado (Burkina Faso)	West African Resources	92	CIL with gravity recovery
Houndé (Burkina Faso)	Endeavour Mining	93	CIL
Makabingui (Senegal)	Bassari Resources	95	CIL + gravity circuit
Morila (Mali)	Firefinch	95.65	CIL

Source: Evolution Capital

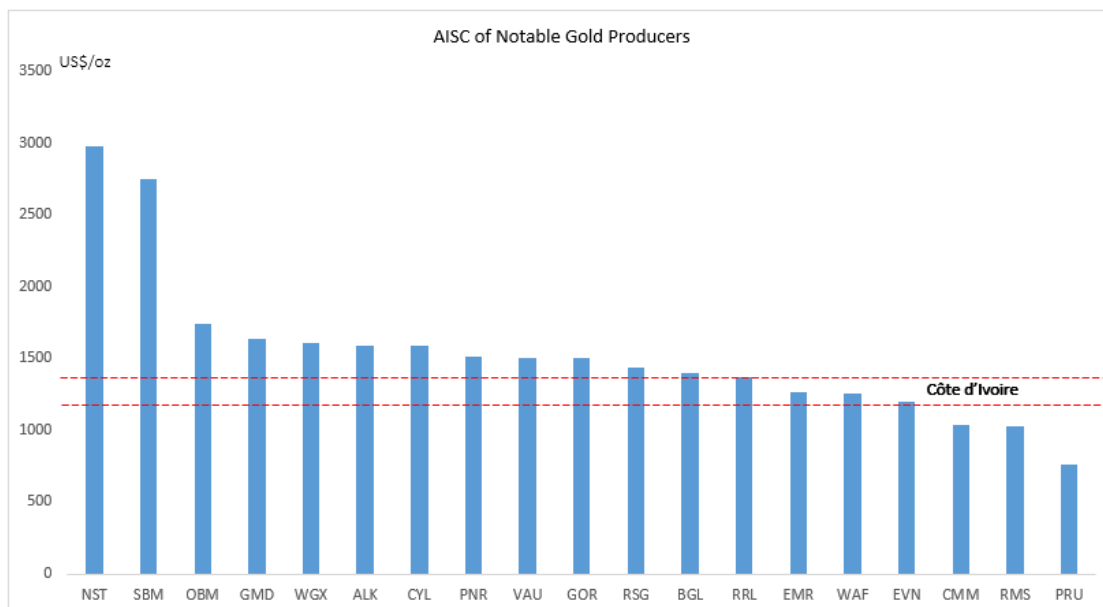
Regional AISC benchmark: Q2-3 2024 West Africa AISC ranges between US\$1,158-1,532/oz with significant variations across project and jurisdictions. Cote d'Ivoire is at the lower end with AISC ranging US\$1,200-1,400/oz, which makes it competitive not only in West Africa, but across the world.

AISC Benchmarks in West Africa			
Country	Avg. AISC (US\$/oz)	Risk Profile	Notable Projects
Côte d'Ivoire	1,200-1,400	Low	Ity, Yaouré, Fetekro
Burkina Faso	1,378-1,937	High	Sanbrado, Houndé
Mali	1,570-2,355	Moderate-High	Fekola, Loulo-Gounkoto
Ghana	1,800-2,610	Moderate	Ahafo South, Tarkwa, Obuasi

Source: Evolution Capital

Capital investments: As discussed earlier, the capital intensity for mine development in West Africa is the lowest at US\$103/oz, ~27% lower than similar developments in Oceania. The Capex requirements and expected AISC ~US\$1,200/oz of projects in West Africa and similar to Didievi are as below.

Capital Expenditure Estimates of Developing Gold Mines in West Africa								
Project	Company	Jurisdiction	Resource (Moz)	Grade (g/t)	Project Stage	Plant Size (Mtpa)	Total Capex (US\$M)	AISC (US\$/oz)
Kobada	Toubani	Mali	2.2	0.9	Feasibility	3.2	216	1,175
Koné	Montage	Côte d'Ivoire	5.1	0.6	Development	15	835	1,050
Fetekro	Endeavour	Côte d'Ivoire	2.5	2.3	Development	4	448	1,218
Bankan	PDI	Guinea	5.38	1.56	Development	3.5	456	1,130
Kiaka	WAF	Burkina Faso	4.2	0.9	Development	8.4	430	1,291



Source: Evolution Capital

6. Financial Projections

Gold Price Forecast

We consider a long-term gold price forecast of US\$3,000/oz to represent a reasonable target based on fundamental demand drivers, supply constraints, and gold's monetary properties. While price volatility will certainly occur, the structural factors supporting gold prices—including central bank buying, real interest rate dynamics, and safe-haven demand—provide a solid foundation for this price level.

Major financial institutions have already raised their near-term gold price forecasts to levels at or above US\$3,000/oz, with UBS forecasting US\$3,500/oz, Goldman Sachs projecting US\$3,300/oz by the end of 2025, and most recently revising their target to US\$3,700/oz. These expert analyses suggest that US\$3,000/oz represents potentially a floor for gold prices in the coming years.

Discounts and Risk Weight

We have valued AIG using a DCF valuation at 10% discount rate. We recognise the value proposition implies risk and apply an additional 85% risk weighting at the project level to account for funding, development and perceived jurisdictional risk. We also exclude 10% government free carry from the NPV.

DCF Analysis

We evaluate African Gold's Didievi Project under three development scenarios, each reflecting distinct operational strategies and capital commitment levels. Key assumptions include:

- 3-year development timeline versus the regional average of 1.7 years, reflecting conservative project execution planning.
- High-grade ore prioritization in early years of production (70% of run-of-mine mix in Years 1–3), declining to 50% thereafter to extend mine life.
- Metallurgical recovery rate of 85%, conservative estimate of non-refractory ore processing in Birimian Belt deposits

Toll Treatment Scenario

For this scenario it is assumed that

- The mine establishes a high-grade resource of 750Koz at 2.9g/t and low-grade resource of 1.5Moz at 1g/t, a total resource base of 2.25Moz
- African Gold can find a toll treatment option at a nearby mill and does not plan to spend for capital infrastructure for setting up processing

- The volume of run of mine is 2.5MTPA
- The capital investment required for mine development is ~US\$100M
- The AISC of the operation is US\$1,410/oz, estimated by adding a 20% toll treatment charge over the current average Cote d'Ivoire AISC of ~US\$1,200/oz for in-development assets.

The Toll Treatment scenario demonstrates African Gold's ability to leverage regional infrastructure for rapid cash generation. With an upfront capex of US\$100M and utilization of third-party milling capacity, a production of ~133Kozpa is achieved, declining to 68Kozpa post-Year 10. Despite a 20% tolling premium (AISC: US\$1,410/oz), the scenario delivers an NPV of ~A\$1.5B and an IRR of 75%, driven by accelerated cash flows. The implied share price, removing the 10% govt free carry and 85% risked, is estimated to be A\$0.42/share, a 3.4x upside.

Selected Case: Toll Treatment	Units	Total	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10	Yr11	Yr12	Yr13
Ore Mined	MTPA	2.5	-	-	-	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Gold Produced	Koz	2,250	-	-	-	153	153	133	133	133	123	68	68	68	68
Gold Price	US\$/oz	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
AISC	US\$/oz	1,410	-	-	-	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410
Revenue	\$M	5,738	-	-	-	458	458	400	400	400	368	205	205	205	205
AISC	\$M	1,552	-	-	-	215	215	188	188	188	173	96	96	96	96
Growth Capex	\$M		(100)	-	-	-	-	-	-	-	-	-	-	-	-
Unlevered Free Cash Flow inc Capex	\$M		(100)	-	-	243	243	212	212	212	195	109	109	109	109

Discount rate	10%	<div>Share Sensitivity</div>	Gold US\$/oz					
Net Present Value US\$M	995			3200	3200	3000	2800	2600
Project IRR	75%		1210	0.53	0.59	0.59	0.53	0.42
NPV, A\$M	1,492		1310	0.45	0.51	0.51	0.45	0.33
NPV exc 10% govt free carry, A\$M	1,343		AISC 1410	0.36	0.42	0.42	0.36	0.25
Implied Share Price A\$	2.80		1510	0.28	0.33	0.33	0.28	0.16
Implied Share Price A\$ (85% risked)	0.42		1610	0.19	0.25	0.25	0.19	0.07

CCF vs FCF

Year	CCF (US\$M)	FCF (US\$M)
1	(100.0)	(100.0)
2	(100.0)	(100.0)
3	(100.0)	(100.0)
4	300.0	300.0
5	300.0	300.0
6	300.0	300.0
7	300.0	300.0
8	300.0	300.0
9	300.0	300.0
10	300.0	300.0
11	300.0	300.0
12	300.0	300.0
13	300.0	300.0
14	300.0	300.0

Owned Mill Scenario

For this scenario it is assumed that

- The mine establishes a high-grade resource of 750Koz at 2.9g/t and low-grade resource of 1.5Moz at 1g/t, a total resource base of 2.25Moz.
- African Gold sets up a 2.5MTPA mill for its operations.
- The capital investment required is estimated to be ~US\$220M, using Kobada as the relevant yardstick.
- The AISC of the operation is US\$1,200/oz, average for in-development operations in the country.

The Owned Mill scenario underscores African Gold's strategy to achieve operational autonomy through vertically integrated infrastructure. With an upfront capex of US\$220M for a dedicated 2.5Mtpa processing plant, this model sustains production of 133Kozpa through Year 9 via systematic blending of high-grade (2.9g/t) and bulk-tonnage ore (1g/t). The lower AISC of US\$1,200/oz, aligned with regional peers, supports an NPV of A\$1.5B and an IRR of 48%, reflecting margin capture despite higher initial investment. The implied share price, excluding the 10% govt free carry and 85% risked, is estimated to be A\$0.43/share, a 3.4x upside. This scenario mirrors Barrick's phased expansion at Kibali, where plant ownership reduced long-term costs by 18% post-commissioning.

Selected Case: Owned Mill	Units	Total	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10	Yr11	Yr12	Yr13
Ore Mined	MTPA	2.5	-	-	-	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Gold Produced	Koz	2,250	-	-	-	133	133	133	133	133	133	97	68	68	68
Gold Price	US\$/oz	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
AISC	US\$/oz	1,200	-	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Revenue	\$M	5,738	-	-	-	400	400	400	400	400	400	290	205	205	205
AISC	\$M	1,321	-	-	-	160	160	160	160	160	160	116	82	82	82
Growth Capex	\$M		(220)	-	-	-	-	-	-	-	-	-	-	-	-
Unlevered Free Cash Flow inc Capex	\$M		(220)	-	-	240	240	240	240	240	240	174	123	123	123

Discount rate	10%	Share Sensitivity	Gold US\$/oz					
Net Present Value US\$M	1,011			3200	3200	3000	2800	2600
Project IRR	48%		1000	0.54	0.60	0.60	0.54	0.43
NPV, A\$M	1,516		1100	0.45	0.51	0.51	0.45	0.34
NPV exc 10% govt free carry, A\$M	1,365		1200	0.37	0.43	0.43	0.37	0.26
Implied Share Price A\$	2.84		1300	0.28	0.34	0.34	0.28	0.17
Implied Share Price A\$ (85% risked)	0.43		1400	0.20	0.26	0.26	0.20	0.09

CCF vs FCF

Year	CCF	FCF
1	-	(100.0)
2	-	(300.0)
3	-	(500.0)
4	240.0	240.0
5	240.0	240.0
6	240.0	240.0
7	240.0	240.0
8	240.0	240.0
9	240.0	240.0
10	174.0	174.0
11	123.0	123.0
12	123.0	123.0
13	123.0	123.0
14	123.0	123.0

Blue Sky

For this scenario it is assumed that

- The mine establishes a high-grade resource of 1Moz at 2.9g/t and low-grade resource of 2Moz at 1g/t, a total resource base of 3Moz.
- African Gold sets up a 3MTPA mill for its operations.
- The capital investment required is estimated to be ~US\$280M, using Kobada as a benchmark.
- The AISC of the operation is US\$1,200/oz, average for the operations in the region.

The Blue-Sky scenario maximizes Didievi's scale potential through resource expansion to 3Moz and a 3Mtpa mill requiring US\$280M capex. With a peak production of 160Kozpa (Years 4–10) and maintaining 82Kozpa post, this approach leverages economies of scale to achieve the highest NPV A\$1.9B and an IRR of 46%. The implied share price, excluding the 10% govt free carry and 85% risked, is estimated to be A\$0.53/share, a 4.3x upside.

Selected Case: Blue Sky	Units	Total	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10	Yr11	Yr12	Yr13
Ore Mined	MTPA	3.0	-	-	-	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Gold Produced	Koz	3,000	-	-	-	160	160	160	160	160	160	160	94	82	82
Gold Price	US\$/oz	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
AISC	US\$/oz	1,200	-	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Revenue	\$M	7,650	-	-	-	480	480	480	480	480	480	480	281	246	246
AISC	\$M	1,652	-	-	-	192	192	192	192	192	192	192	112	98	98
Growth Capex	\$M		(280)	-	-	-	-	-	-	-	-	-	-	-	-
Unlevered Free Cash Flow inc Capex	\$M		(280)	-	-	288	288	288	288	288	288	288	169	148	148

Discount rate	10%	Share Sensitivity		Gold US\$/oz				
Net Present Value US\$M	1,265			3200	3200	3000	2800	2600
Project IRR	46%	1000		0.68	0.75	0.75	0.68	0.53
NPV, A\$M	1,897	1100		0.57	0.64	0.64	0.57	0.43
NPV exc 10% govt free carry, A\$M	1,708	1200	AISC	0.46	0.53	0.53	0.46	0.32
Implied Share Price A\$	3.56	1300		0.36	0.43	0.43	0.36	0.21
Implied Share Price A\$ (85% risked)	0.53	1400		0.25	0.32	0.32	0.25	0.11

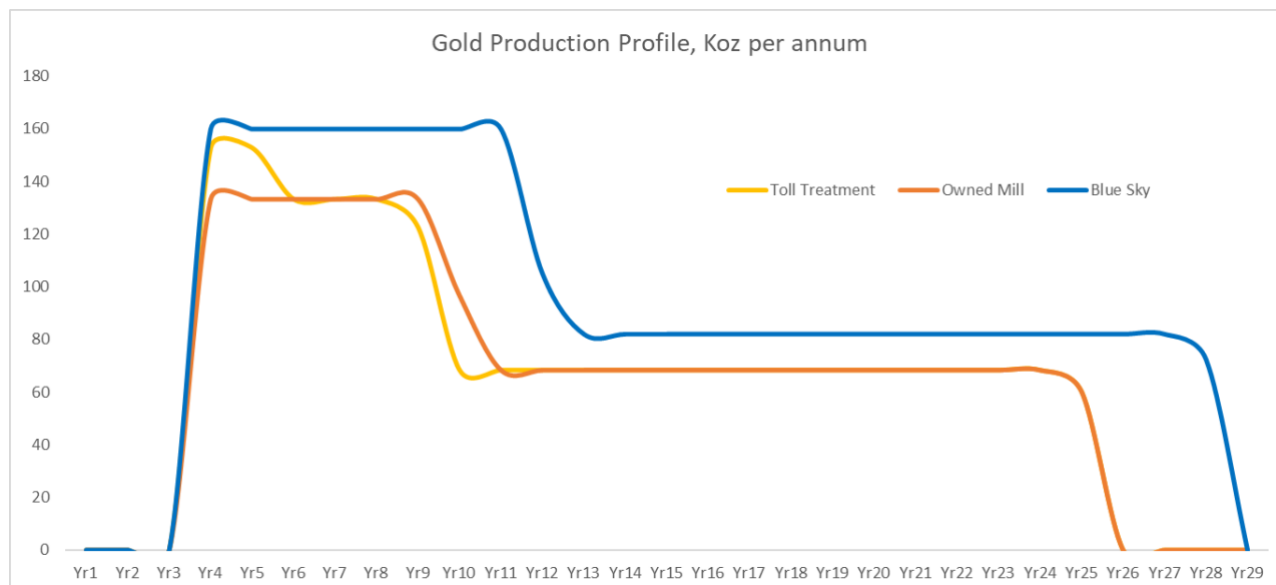
CCF vs FCF

Number of years over life of mine

Year	CCF	FCF
1		(100.0)
2		(300.0)
3		(500.0)
4	300.0	300.0
5	300.0	300.0
6	300.0	300.0
7	300.0	300.0
8	300.0	300.0
9	300.0	300.0
10	300.0	300.0
11	169.0	169.0
12	148.0	148.0
13	148.0	148.0
14	148.0	148.0

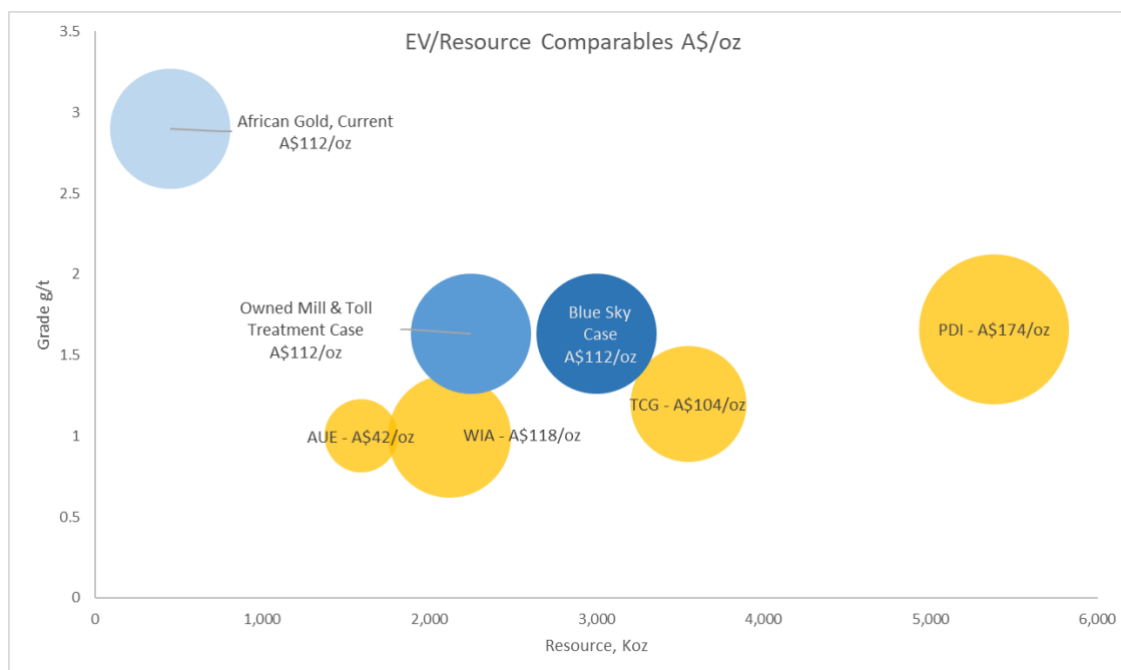
In all the three cases considered, Didievi generates healthy production (133-160Kozpa), strong NPV (A\$1.4B-1.9B) at a discount rate of 10%.

Scenario	DCF Valuation (A\$M)	IRR%	Implied Share Price* (A\$)	Upside from Current (A\$0.125)
Toll Treatment	1,492	75%	0.42	3.4x
Owned Mill	1,516	48%	0.43	3.4x
Blue Sky	1,897	46%	0.53	4.3x



EV/Resource Comparables Analysis

AIG is already rated at a slight premium EV/Resource multiple of A\$112/oz given the initial exploration results and the confidence in achieving 3Moz+ resource at high grades being priced in. We expect that in our development scenarios AIG will retain its EV/Resource multiple at A\$112/oz. This multiple is at a premium to TCG at A\$104/oz given that on a comparative basis, Didievi is expected to have better grades at 1.63g/t (blended) vs 1.2g/t, even though a lower resource at 3Moz vs 3.55Moz for TCG.



Summary of EV/Resource Analysis

Scenario	Resource (Moz)	EV/Resource Multiple (A\$/oz)	EV (A\$M)	Implied Share Price (A\$/share)	Upside from Current (A\$0.125)
Toll Treatment, Owned Mill	2.25	112	252	0.53	4.2x
Blue Sky	3	112	336	0.7	5.6x

Source: Evolution Capital

7. Investment Risks

Political and Regulatory Risks

Upcoming elections in Côte d'Ivoire (Oct 25): While Côte d'Ivoire is generally regarded as one of West Africa's more stable mining jurisdictions, election periods can lead to increased regulatory uncertainty, potential delays in permit renewals, and shifts in government policy. Any political instability or policy changes resulting from the elections could impact project timelines, permitting processes, and fiscal terms for mining companies operating in the country.

Operational Risks

Resource Definition and Grade Variability at Didievi: The Blaffo Guetto prospect's maiden inferred resource of 452Koz at 2.9g/t (1g/t cutoff) represents only fraction of the exploration target ~1Moz. The financial model assumes a blended grade, which may prove optimistic if lower-grade mineralization dominates.

Infrastructure and Execution Timelines: Didievi's development conservatively assumes a 3-year construction period, 76% longer than West Africa's 1.7-year benchmark. While proximity to Allied Gold's Bonikro (2.5Mtpa) and Perseus' Yaouré (3.3Mtpa) mills reduces infrastructure costs, reliance on toll treatment introduces third-party dependency risks, especially considering these two nearby mills. The Owned Mill scenario requires US\$220M capex-challenging for a company with a A\$60M market cap, exposing the project to financing and execution risks.

Financial Risks

Gold Price Sensitivity and Funding Gaps: All the scenarios evaluated are sensitive to gold prices. African Gold's financial position may insufficient to fund the mine development budget, potentially necessitating dilutive raises.

Environmental and Social Risks

License to Operate Challenges: Artisanal mining accounts for 20% of Côte d'Ivoire's gold output. African Gold must navigate community expectations for employment and development contributions while avoiding conflicts with artisanal miners-a balance that has delayed projects like Afema by 18–24 months in neighbouring permits.

Environmental Management: The Didievi Project's proximity to the Bandama River raises water management risks, particularly given the 8:1 strip ratio and potential cyanide use in processing.

Strategic and Organizational Risks

Management Transition and Expertise Gaps: CEO Adam Oehlman's October 2024 appointment follows the exit of key personnel, including Phillip Gallagher. While Montage Gold's Silvia Bottero strengthens technical oversight via the joint committee, mine development has inherent execution concerns. Workforce retention is critical as the transition to production requires hiring 150+ skilled staff in a region where Barrick and Endeavour compete for talent.

Risk Mitigation Framework

- **Phased Development:** The three-scenario model (Toll Treatment/Owned Mill/Blue Sky) allows capex scaling based on gold prices and funding access.
- **Community Engagement:** Pre-emptive agreements with local at Didievi
- **Technical Safeguards:** The Montage partnership provides exploration expertise.

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