

31 October 2023

ASX Release

QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Sale of Giro Gold Project

- Shareholder approval for the sale of Amani Gold's shareholding in Amani Consulting SARL (Giro Gold Project) received at a general meeting of shareholders held on 17 August 2023.
- Subsequent to shareholder approval the Company has progressed the transaction to First Stage Completion.
- Amani Consulting shares will be held in escrow until full US\$30M payment amount received.
- Tranche 2 payment of US\$8M to be received in March 2024.

Acquisition of New Project and Re-Listing on the ASX

- Securities of the Company have been placed into suspension pending the announcement of a proposed acquisition of a new project and re-compliance with Chapters 1 and 2 of the ASX Listing Rules.
- The Company is in the final stages of negotiating the material terms of a proposed transaction and re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

Amani Gold Limited (ASX: ANL) ("**Amani**" or "**the Company**") is pleased to provide shareholders with the following Quarterly Report for the three-month period ended 30 September 2023.

Sale of Giro Gold Project

In February 2023 Amani Gold executed a binding term sheet ("**Term Sheet**") with Mabanga Shining SARL (the "**Purchaser**") for the sale of Amani Gold's shareholding in Amani Consulting SARL, the DRC based entity that holds the Giro Gold Project for the cash payment of USD\$30M (approximately AUD\$43.5M) (the "**Transaction**").

At a general meeting of shareholders held on 17 August 2023, approval was received for the sale of Amani's interest in Amani Consulting SARL (**Amani Consulting**), being the partially owned subsidiary of the Company holding a 55.25% interest in the Giro Gold Project (see ASX Announcement titled "*Results of Meeting*" dated 17 August 2023 for further details).

Following shareholder approval the Company has progressed the transaction to First Stage Completion, with future payments to be received on the below schedule.

The Sale Shares will remain in escrow until the full purchase amount of US\$30M is paid to the Company. At which point the Sale Shares will be transferred to the Purchaser.

Summary of Transaction Terms

The material terms of the Term Sheet are as follows:

1. The Purchaser shall pay the Company a total of USD\$30M pre-tax consisting of the following tranches:
 - **First Tranche** – US\$5,000,000 payable to the Company upon execution of the Term Sheet;
 - **Second Tranche** - US\$8,000,000 payable to the Company within one (1) year of the payment of the First Tranche;
 - **Third Tranche** - US\$8,000,000 payable to the Company within one (1) year of the payment of the Second Tranche; and
 - **Fourth Tranche** - US\$9,000,000 payable to the Company within one (1) year of the payment of the Third Tranche to the Seller.

2. First Tranche Completion (being the completion of the First Tranche payment to the Company) is conditional upon the following (“Conditions Precedent”):
 - the Company obtaining the required shareholder approvals (including shareholder approval pursuant to Listing Rule 11.2 and 10.1); and
 - all necessary regulatory and third-party approvals being obtained in the DRC.
3. If the Company receives a superior offer (i.e. an offer on more favourable terms for the Company as currently provided under the Term Sheet) prior to First Tranche Completion (see above), the Company is able to terminate the Term Sheet.
4. Following First Tranche completion, risk in the Sale Shares will pass to and vest in the Purchaser and the Purchaser will become the operator and manager of the Giro Gold Project, accepting all risk, liabilities and costs associated with operation of the Giro Gold Project.

Acquisition of New Project

The securities of the Company have been placed into suspension pending the announcement of a proposed acquisition of a new project and re-compliance with Chapters 1 and 2 of the ASX Listing Rules. Please refer to ASX Guidance Note 12: Significant Change to Activities which provides further information on significant changes to activities and how the Listing Rules apply to those changes.

After an extensive review of exploration and development projects across a number of regions and commodity types, the Company has commenced advanced negotiations with a project vendor on an exclusive basis.

The Company is in the final stages of negotiating the material terms of the proposed transaction and will keep shareholders updated on any new developments in accordance with its continuous disclosure obligations under the ASX Listing Rules.

Payments to Related Parties and their Associates

A total of **\$70,000** was paid to related parties of the Company and their associates during this quarter, relating to director’s remuneration and salaries included in 1.2(d).

Company Cash

The Company’s cash balance as at 30 September 2023 was **\$6,211M**.

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Mineral Interests held at 30 September 2023 are as follows:

Location	Concession name and type	Registered Holder	Amani's current equity interest	Maximum equity interest capable of being earned	Notes
DRC	Giro Exploitation Permits PEs 5046 & 5049	Giro Goldfields sarl	0%	0%	1

DRC - Democratic Republic of Congo Notes:

- 0% interest in asset recorded as a result of sale of holding Company (Amani Consulting). Amani Gold retains title to the shares until the final tranche payment has been made under the share sale agreement. Please see ASX Announcement titled "*Amani Signs Term Sheet For Sale Of Giro Gold Project*" dated 7 February 2023.

Competent Person's Statement – Exploration Results

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Ross Corben, a Competent Person who is a fellow of the Australasian Institute of Mining and Metallurgy. Mr Corben is an independent consultant. He has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Corben takes responsibility for the drill hole data that underpins the Mineral Resource estimate. Mr Corben consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Mineral Resource Estimate

The information in this Report that relates to Mineral Resource Estimates for the Kebabada deposit is based on information compiled by Mr. Arnold van der Heyden, who is a Member and Chartered Professional (Geology) of the Australian Institute of Mining and Metallurgy and Managing Director of H&S Consultants Pty Ltd and released on the ASX Platform on 19 March 2020.

Mr. van der Heyden has sufficient experience 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' (JORC Code). Mr. van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Forward Looking Statements

Statements regarding the Company's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

Appendix 5B

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

Name of entity

Amani Gold Limited

ABN

14 113 517 203

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(43)	(43)
(e) administration and corporate costs	(425)	(425)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(466)	(466)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(282)	(282)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(282)	(282)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings – Convertible Note	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Leases	(4)	(4)
3.10	Net cash from / (used in) financing activities	(4)	(4)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,958	6,958
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(466)	(466)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(282)	(282)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4)	(4)
4.5	Effect of movement in exchange rates on cash held	5	5
4.6	Cash and cash equivalents at end of period	6,211	6,211

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,211	6,958
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (High Interest Account)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,211	6,958

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	70
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

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

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(466)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(282)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(748)
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,211
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,211
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	8.29
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: by the board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.