

ASX Announcement

25 March 2025

African Gold Announces Transformational Strategic Partnership with Montage Gold

Highlights

- **Montage Gold and insiders** to acquire a **19.9%** stake in African Gold via:
 - a share swap of 2,026,388 Montage shares, valued at approximately **A\$6,466,445**, for 92,377,787 African Gold shares at a deemed issue price of **A\$0.07 per share**; and
 - a placement to Montage insiders of 12,371,429 African Gold shares at \$0.07 per share raising **A\$866,000** (before costs).
- In addition to the share swap and placement with Montage, **African Gold will conduct a non-brokered private placement**, welcoming new investors independent of Montage. These investors will acquire up to a **5.0%** stake in African Gold priced at **A\$0.07** per share, representing a total investment of **A\$1,842,323** (before costs).
- **The strategic partnership** with Montage Gold will **accelerate exploration** at African Gold's highly prospective Didievi gold project and broader tenement portfolio in Côte d'Ivoire.
- **Leadership team strengthened:** Montage Gold's EVP of Exploration, **Silvia Bottero**, joins the Board as Non-Executive Director, and CEO **Martino De Ciccio** to serve as a strategic advisor.
- **Montage Gold**, recognised for its success in Côte d'Ivoire with the 4Moz+ Koné gold project, has a proven track record of value creation. This investment builds on their successful **Sanu Gold** (CNSX: SANU) partnership, which has delivered **significant shareholder returns**.

African Gold Ltd (ASX: AIG) (“African Gold” or the “Company”) is pleased to announce its plans to secure a strategic investment from Montage Gold Corp. (TSXV: MAU; OTCQX: MAUTF) (“Montage Gold”) and new investors with a total value of up to **A\$9,174,768**.

Key Terms:

- **Share Swap Agreement:** African Gold will issue **92,377,787 shares at a deemed issue price of A\$0.07 per share** to Montage Gold in exchange for an equivalent value of **Montage shares (2,026,388 shares) at a deemed issue price of C\$2.87 per share¹**.
- **Placement to Montage insiders:** **12,371,429 shares will also be issued to Montage related parties raising A\$866,000** (before costs).
- Following completion, Montage and insiders will hold **19.9%²** of African Gold, with an expected cash-equivalent valuation of **\$7,332,445**.
- **Private Placement:** African Gold will conduct a non-brokered private placement for approximately **5.0%²** of its shares to new investors by the issue of 26,318,899 shares at **A\$0.07 per share**, raising approximately **A\$1,842,323** (before costs).
- **Board & Advisory Roles:** Montage Gold’s EVP of Exploration, Silvia Bottero, will join the African Gold Board, while Montage CEO, Martino De Ciccio, will serve as a strategic advisor.
- **Assignment of pre-emptive rights:** African Gold will assign to Montage its pre-emptive rights with respect to certain minority interests in the Didivei project, including that of a right to acquire the 20% project level shareholding owned by minority shareholders.

¹ Assumes exchange rates of USD/CAD 1.43 and USD/AUD 1.59.

² Assumes issue of 2,898,551 shares for Kouroufaba annual payment as approved by shareholders on 21 February 2025 and issue of 10,714,286 shares under drill-for-equity agreement with Easy Drilling as announced on 20 November 2025.

- **Exploration Funding & Oversight:** Montage will oversee exploration at the Didievi project, with costs covered by African Gold. A joint technical committee—comprising three African Gold representatives and two from Montage—will determine exploration strategy and expenditures.
- **Right of First Refusal (“ROFR”):** On certain asset-level transactions for the Didievi Project.
- Silvia Bottero and Martino De Ciccio will be granted 5 million options each with an exercise price of \$0.10 per share and expiry date three years from date of issue (subject to shareholder approval), recognising their active involvement and contributions to AIG.

This agreement follows the highly successful deal between Montage Gold and Sanu Gold, which enabled Sanu to aggressively advance drilling on its Guinea-focused projects and generate significant shareholder value. The Sanu Gold deal was conducted at C\$0.072 per share, with Sanu’s share price rising as high as C\$0.32 per share and currently trading at C\$0.30 per share.

Africa Gold’s Chief Executive Officer, Adam Oehlman, said *“We are excited to partner with Montage Gold given their extensive exploration track record and strong presence in Côte d’Ivoire. This collaboration offers an exciting opportunity to unlock exploration value at notably our flagship Didievi project. Furthermore, Montage’s robust technical due diligence process strengthens our belief that the Didievi project is highly prospective. We are very pleased with the ongoing 10,000-metre drill programme at our Didievi project and look forward to further drilling the property this year given our strengthened financial position.*

“As part of this partnership, we are pleased to welcome Silvia Bottero to the African Gold board. With over 20 years of experience in mining, Silvia has a proven track record in driving greenfield discoveries and advancing brownfield projects, particularly in Africa and over the last decade she has been credited with the discovery of over 15Moz of M&I gold resources in Côte d’Ivoire.

"We are also excited to welcome Martino De Ciccio as a strategic advisor to African Gold given his extensive expertise and value creation track record. Moreover, Martino has a profound understanding of the African mining landscape, being recently recognized as one of the 20 most influential people in the African mining sector by Africa Business. Over the last year, under Martino's leadership, Montage's market capitalization grew from C\$140 million to over C\$1 billion given their success in obtaining environmental and mining permits, staffing a high-quality team, obtaining high profile strategic investors, securing over US\$950 million in financing, delivering strong exploration results, and launching construction of their project.

"We look forward to working closely with Montage Gold, to maximise the potential of our assets in Côte d'Ivoire."

Martino De Ciccio, CEO of Montage, commented: *"We are very pleased to form a strategic partnership with African Gold and work alongside them to rapidly unlock exploration value across their highly attractive portfolio in Côte d'Ivoire, including the high-grade Didievi project, by leveraging our presence and expertise in the country. Our strategic investment in African Gold follows a thorough review of potential partnerships in Côte d'Ivoire, based on a value-driven approach that considers risk-adjusted geological potential and is supported by technical due diligence."*

The Company expects to use the net proceeds of the Placements to advance exploration, including geophysics and drilling, primarily on the Didievi Gold Exploration Permits in Côte d'Ivoire, with some of the raised capital also allocated to creating shareholder value across its broader tenement portfolio. The remaining funds will be used for general and administrative working capital purposes.

African Gold's sale of Montage Shares will be subject to certain notice rights to enable Montage Gold to designate suitable purchaser(s), which rights will operate so long as Montage Gold holds at least 10% of the issued and outstanding African Gold Shares.

The Placements and Share Exchange Transaction is expected to complete over two tranches with Tranche 1 to complete in approximately three weeks utilising the Company's capacity under Listing Rules 7.1 and 7.1A, and Tranche 2 to complete subject to shareholder approval at the Company's annual general meeting to be held in May 2025.

	AIG Shares to be Issued
Tranche 1: Share swap with Montage under LR 7.1	46,019,641
Tranche 1: Placement to Montage Insiders under LR 7.1	520,626
Tranche 1: Placement to Montage Insiders under LR 7.1A	11,850,803
Tranche 1: Private Placement under LR 7.1A	26,318,899
Tranche 2: Share swap with Montage (subject to shareholder approval)	46,358,146
TOTAL	131,068,115

Both tranches are subject to completion of definitive documentation, including a share exchange agreement ("Share Exchange Agreement") and investor rights agreement between Montage and the Company ("Investor Rights Agreement").

The Investor Rights Agreement will, subject to certain conditions, including ownership thresholds by Montage Gold, include the reasonable opportunity to participate in future equity issuances to maintain its ownership in the Company (subject at all times to the Listing Rules and the Corporations Act), a board member nominee, a right of first refusal on asset-level transaction at the Didievi Gold project and the formation of a technical advisory committee.

The Share Exchange Agreement and Investor Rights Agreement will include customary closing conditions such as applicable stock exchange approvals for each company. The African Gold Shares issued under the Share Exchange Transaction and to Montage Insiders are subject to a 12-month voluntary escrow period under applicable securities laws. The Montage Shares will be issued to African Gold under an exemption from the prospectus requirements of applicable Canadian securities laws and will be subject to a hold period of four months and one day from the date of issuance to African Gold.

On completion of Tranche 2 of the Share Exchange Transaction and in light of the new partnership, Silvia Bottero, Executive Vice President of Exploration of Montage, will be appointed to the Board of African Gold as a Non-Executive Director and Montage CEO, Martino De Ciccio, will serve as a strategic advisor. Silvia Bottero and Martino De Ciccio will be granted 5 million unquoted options each with an exercise price of A\$0.10 per share and an expiry date three years from date of issue (subject to shareholder approval). These incentives aligns their interests with shareholder value and the Company's long-term growth objectives.

This announcement has been authorised for release by the Board of African Gold Ltd.

For further information, please contact:

Mr Adam Oehlman

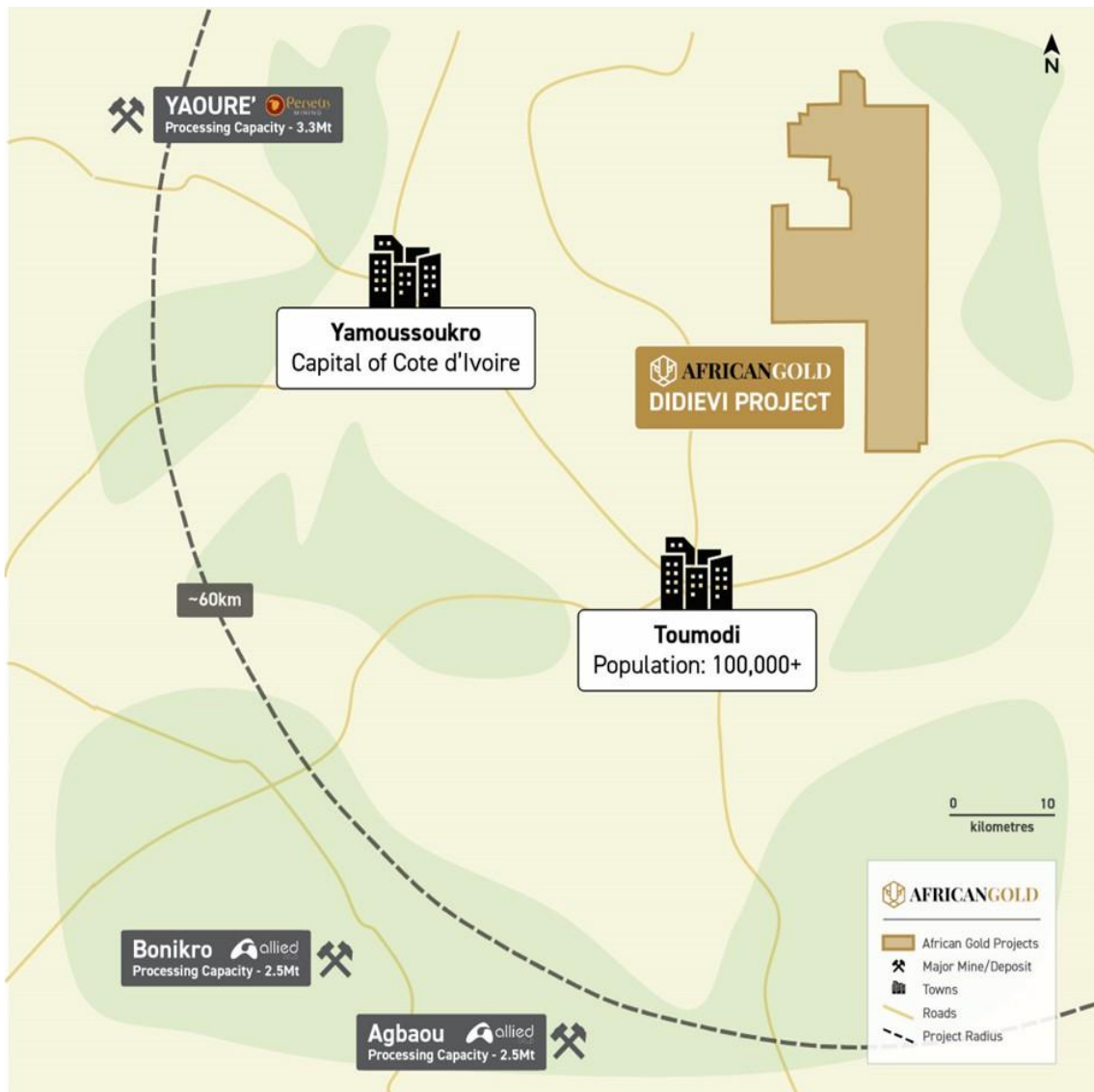
Chief Executive Officer

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The Didievi Project

The Didievi Project is strategically located in central Côte d'Ivoire, approximately 35km from the capital, Yamoussoukro, and 60km from operating mines. Alongside the primary resource zone at Didievi, there are several additional prospects that further enhance the potential for Didievi to evolve into a multi-million-ounce gold project.



Regional location map of the Didievi Project.

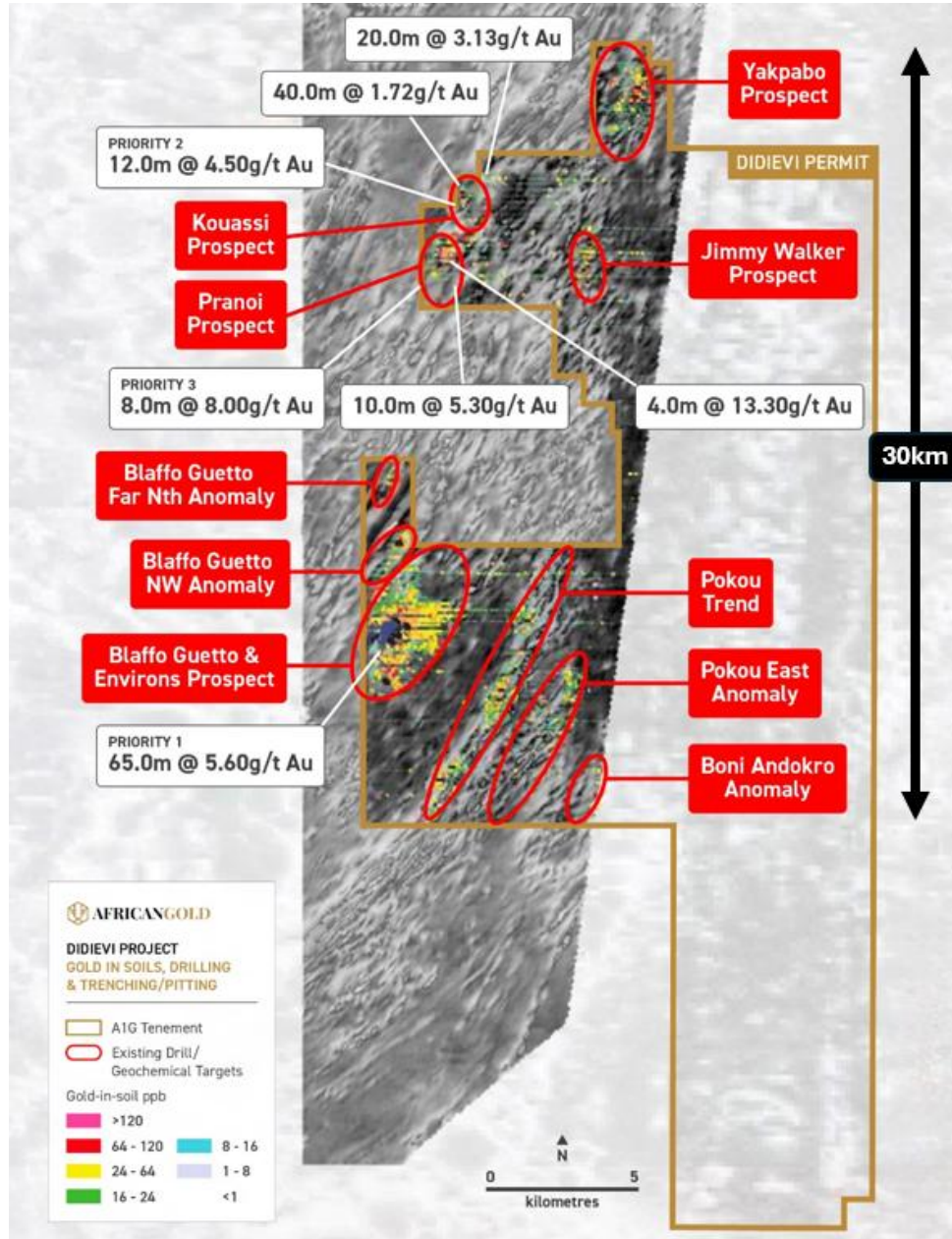
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During 2024, African Gold announced a shallow, high-grade Maiden Inferred Resource for the Blaffo Guetto prospect within the Didievi Project. Based on a new geological model derived from recent geological logging and mapping, the resource totals **4.93Mt at 2.9 g/t gold, representing 452,000oz of gold** (using a 1.0 g/t Au cut-off). On October 15 2024, African Gold reported outstanding drilling results from the Didievi Project, including **65.0m at 5.6 g/t Au from 177m** and **155m at 1.1 g/t Au** with a notable interval of **52m at 2.9 g/t Au from 178m**.

Previous drilling on Blaffo Guetto has produced exceptional shallow intercepts on the Blaffo Guetto prospect, including:

- **65.0m at 5.6 g/t Au** from 177m including **22m at 10.9 g/t Au** (ASX October 15 2024, DDD049)
- **155m at 1.1 g/t Au** from 105m including **52m at 2.9 g/t Au** from 178m (ASX January 30 2025, DDD053)
- **31.4m at 3.5 g/t Au** from 250m including **18m at 5.6 g/t Au** from 252m (ASX January 30 2025, DDD061)
- **10.0m at 123.7 g/t Au** from 66m including **2m at 613.1 g/t Au** (ASX 2021 8 September 2021, DRC334)
- **83.3m at 3.3 g/t Au** from 166.9m including **18.0m at 12 g/t Au** (ASX 2021 8 September 2021, DDD001)
- **17.4m at 17.0 g/t Au** from 244m including **1.0m at 216.0 g/t Au** (ASX 2021 8 September 2021, DDD029)
- **89.0m at 3.0 g/t Au** from 0m including **23.0m at 9.5 g/t Au** (ASX 2020 27 November 2020, DDD013)
- **43.0m at 4.3 g/t Au** from 57 m including **17.0m at 9.5 g/t Au** (ASX 2020 27 November 2020, DRC130)
- **69.0m at 2.9 g/t Au** from 31m including **37.0m at 4.9 g/t Au** (ASX 2020 27 November 2020, DRC138)
- **37.0m at 7.7 g/t Au** from 42m including **24m at 11.0 g/t Au** (ASX 2020 27 November 2020, DRC208)

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Highly prospective prospects on the Didievi tenement

Forward Looking Statements

This announcement may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward- looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law, the Company does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

Competent Person's Statement

The mineral resource estimate referred to in this announcement was reported by the Company in accordance with listing rule 5.8 on 30 July 2024. The Company confirms it is not aware of any new information or data that materially affects the mineral resources estimate included in the previous announcement and that all material assumptions and technical parameters underpinning the mineral resource estimate in the previous announcement continue to apply and have not materially changed. The exploration results referred to in this announcement were reported in accordance with Listing Rule 5.7 on the dates referenced throughout. The Company confirms it is not aware of any new information that materially affects these results.