

SAINT PETER PORT, GUERNSEY--(Marketwired - Jul 16, 2015) - [Avnel Gold Mining Ltd.](#) ("Avnel" or the "Company") (TSX:AVK) is pleased to report additional assays from its recently completed drill program that is in support of a Definitive Feasibility Study ("DFS") for its Kalana Main project in south-western Mali, West Africa.

#### Kalana Main Drill Program Highlights:

- Significant high-grade mineralisation intersected beneath Vein 1
- Drilling continues to encounter mineralisation over long intersections
- Drilling continues to define the up-dip extension of Vein 1 near the western limits of the deposit
- Assays from the eastern extension and south-eastern extension and infill drilling are pending
- Updated mineral resource estimate expected in late September 2015

"I am pleased to report that assays from extension, infill, and gap drilling from the western, northern, and central portions of the deposit continue to define the extents of the deposit and reinforce our confidence in our geological model. We remain confident that this drilling will support the conversion of a meaningful portion of our Inferred Resource into the measured plus indicated category and delineate new mineral resources," stated Howard Miller, Avnel's Chairman and CEO.

"We completed the drill program in early July and are eagerly awaiting assays from extension and infill drilling near the eastern and south-eastern limits of the deposit. This drilling represents nearly one-third of our program and presents a significant opportunity to extend zones of known mineralisation. We continue to expect the completion of an updated Mineral Resource estimate in late September, which will form the basis for a Definitive Feasibility Study that is scheduled to be completed in the first quarter of next year."

#### Exploration at Kalana Main Continues to Deliver Positive Results

The Company drilled 181 holes over 30,131 metres ("m") in this drill program, which is now complete. The results reported in this news release reflect assays from 50 holes over 8,209 m of drilling assayed (122 holes over 19,108 m drilling reported to date). Select composite assays and related drill hole information is presented in the tables at the end of this news release. Additional assays from the remainder of the drill program are pending, mostly from the eastern and south-eastern portions of the deposit, and will be reported in due course.

For maps of the general layout of the drill program, the location of drill lines, and the location of individual drill holes, please refer to figures 1 through 3 near the end of this news release, respectively.

As detailed in the Company's March 26, 2015 news release, the current Mineral Resource for the Kalana Main deposit consists of an Indicated Resource of 2.11 million ounces of gold (14.5 million tonnes grading 4.52 grams of gold per tonne ("g/t Au") at a 0.9 g/t Au cut-off) and an Inferred Resource of 0.31 million ounces of gold (1.8 million ounces grading 5.28 g/t Au) at a 0.9 g/t Au cut-off). Also reported was an Exploration Target of 0.7 to 1.0 million ounces (between 5.3 and 6.6 million tonnes grading between 3.9 and 4.7 g/t Au), which is outside the Kalana Main Mineral Resource estimate, but contained within a conceptual pit shell.

*The aforementioned assessment of potential quantity and grade is conceptual in nature and there has not been sufficient exploration to define a mineral resource and the preliminary economics are not sufficient to support a reasonable expectation for economic extraction. The Exploration Target is largely based on a wide spacing of drill holes. As a result, confidence in this part of the model is not sufficient to define a mineral resource and therefore is currently defined as an Exploration Target rather than as part of the Mineral Resource for the Kalana Main deposit. It is uncertain if further exploration will result in any portion of the Exploration Target being delineated as a mineral resource.*

#### Significant High-Grade Mineralisation Intersected Beneath Vein 1

Deeper infill and gap drilling along lines N000 and S050 has intersected significant high-grade gold mineralisation within the central and west-central portions of the deposit. The gold mineralisation is interpreted to include Vein 1, the most significant vein at Kalana Main, and several veins beneath it. This mineralisation typically consists of the primary, shallow dipping, high-grade quartz vein packages.

Significant composite intervals from beneath Vein 1 include:

- KA-SOM-RCDD007 7.8 g/t Au over 11 m  
including 53.1 g/t Au over 1 m  
including 19.8 g/t Au over 1 m  
and 2.1 g/t Au over 16 m
- KA-SOM-RCDD008B 5.0 g/t Au over 6 m
- KA-SOM-RCDD006 10.3 g/t Au over 6 m

including 54.1 g/t Au over 1 m

This drilling continues to confirm the geological model and is expected to improve grade continuity in the block model and result in an increase to the Mineral Resource. This drilling has also better defined the western limits of the deposit.

A summary of select composite assay and drill hole information from this drilling is presented in tables 1 and 2, respectively. Additional assays from this zone are pending.

#### Drilling Continues to Encounter Mineralisation over Long Intervals

Infill and gap drilling along lines W280, W340, W386, and W445 has encountered long intersections of gold mineralisation in the central and west-central portions of the deposit in saprolite, transitional, and fresh rock material. The gold mineralisation across this complex portion of the deposit typically consists of the primary, shallow dipping, high-grade quartz vein packages that have been locally overprinted by abundant sub-vertical lower grade veins within north-south trending structural corridors.

Significant intervals from these lines include:

- KA-SOM-RC583 6.0 g/t Au over 15 m
  - including 21.8 g/t Au over 1 m
  - including 55.9 g/t Au over 1 m
- KA-SOM-RC638 2.6 g/t Au over 12 m
  - including 12.4 g/t Au over 1 m
  - and 2.4 g/t Au over 17 m

This drilling is expected to improve grade continuity in the block model for both the high-grade vein packages and the corridors of lower grade sub-vertical veins and result in an increase to the Mineral Resource in this portion of the deposit.

The overprinting of the sub-vertical veins on the vein packages is significant because it has resulted in longer composites of mineralisation, albeit at a lower grade, compared to other portions of the deposit. Consequently, the Company will examine the potential for lower cost bulk mining in these portions of the deposit relative to the selective mining approach previously envisioned. The reassessment of portions of the deposit as bulk tonnage targets and better definition of unmineralised material has the potential to positively impact the waste-to-ore ratio and other key performance indicators in the DFS.

Furthermore, the presence of mineralisation within the oxidised saprolite horizon is significant because it typically exhibits higher metallurgical recoveries and lower mining and processing costs relative to deeper transitional and fresh rock material. The shallow nature of this mineralisation is also significant as it may be available for mining in the early years of the mine plan and thus has the potential to positively impact a number of key performance indicators in the upcoming DFS.

A summary of select composite assay and drill hole information from this drilling is presented in tables 3 and 4, respectively.

Similarly, assays from infill and extension drilling along lines W280, W312, W340, W360, and W510 continue to delineate primary, shallow dipping, high-grade quartz vein packages that have been locally overprinted by abundant sub-vertical lower grade veins contained within north-south trending structural corridors. This mineralisation is typically within the favourable saprolite horizon and in close proximity to the northern limits of the pit shell.

Significant composite intervals from this drilling includes:

- KA-SOM-RC542 2.5 g/t Au over 28 m
  - and 2.4 g/t Au over 20 m
- KA-SOM-RC649B 10.4 g/t Au over 5 m
  - including 41.2 g/t Au over 1 m
- KA-SOM-RC648 5.2 g/t Au over 7 m
  - including 26.6 g/t Au over 1 m

This drilling is expected to result in localised northern extensions to in-pit portions of the Mineral Resource, which is highly encouraging as this portion of the block model does not contain any mineralisation. The delineation of new in-pit mineralisation has the potential to positively impact the waste-to-ore ratio and other key performance indicators for the DFS.

The preliminary analysis of this drilling indicates that the extents of mineralisation in close proximity to the north-western, northern, and north-eastern limits of the deposit has been generally defined.

A summary of select composite assay and drill hole information from this drilling is presented in tables 5 and 6, respectively.

## Western Extension Drilling Continues to Define High-Grade Vein 1 Mineralisation

The Company has also received additional assays from lines W600 and W650 that continue to delineate the up-dip extension of Vein 1 and the western limits of the deposit.

Significant composite intervals from the western extension drilling include:

- KA-SOM-DD165 8.7 g/t Au over 4 m  
including 31.4 g/t Au over 1 m
- KA-SOM-RCDD001 7.8 g/t Au over 8 m  
including 56.3 g/t Au over 1 m

The continued delineation of the up-dip extension of Vein 1 in the favourable saprolite horizon is highly encouraging as it is expected to support the conversion of a meaningful portion of the Inferred Resource to the measured plus indicated category. The shallow nature of this mineralisation is also significant as it may be available for mining in the early years of the mine plan and is thus likely to positively impact a number of key performance indicators in the upcoming DFS.

The preliminary analysis of this drilling indicates that the mineralisation in close proximity to the western limits of the deposit has been generally defined.

A summary of the select composite assay results and drill hole information from this drilling is presented in tables 7 and 8, respectively. Additional assays from line W600 are pending.

## Assays from Eastern Infill and Extension Drilling Pending

The drill program was completed on July 5 and assays from 70 drill are pending, mostly from extension drilling to east of the deposit plus infill and extension drilling in south-east, as shown in Figure 1. This drilling represents nearly one-third of the total drill program and presents an opportunity to extend areas of known mineralisation into portions of the block model that does not contain any mineralisation.

The Company has received assays from extension drilling on the eastern portion of the deposit from a limited number of holes, which have yielded modest results so far, with the most significant composite interval being:

- KA-SOM-DD175 174.0 g/t Au over 3 m  
including 518.4 g/t Au over 1 m

The implications of the initial results from eastern extension drilling are uncertain as these holes are outside of the eastern limits of the pit shell at depth. Additional assays from the eastern extension drilling are pending. No assays from infill and gap drilling in the south-eastern portion of the deposit have been received.

A summary of select composite assays and drill hole information from eastern extension drilling is presented in tables 9 and 10, respectively.

## Updated Mineral Resource to Lay the Foundation for the Definitive Feasibility Study

The Company continues to expect to complete the next revision to the Mineral Resource estimate in late September 2015. This Mineral Resource is expected to form the basis for a Definitive Feasibility Study that is scheduled to be completed in the first quarter of 2016.

## QA/QC Programs

Exploration programs are conducted under the supervision of Dr. Olivier Féménias, EurGeol 1115, Avnel's Vice-President, Geology. Dr. Féménias, is a Qualified Person as defined by National Instrument 43-101 of the Canadian Securities Administrators. Strict sampling and QA/QC protocol are followed, including the insertion of standards, blanks, and duplicates on a regular basis. Sample intervals are usually 1.0 m. Samples are prepared on site and sent to BIGS Global Burkina SARL ("BIGS Global") in Ouagadougou, Burkina Faso for analysis. Analytical method is a 2-kilogram bottle-roll cyanidation using a LeachWELL catalyst. The leach residues from all samples with a grade in excess of 0.3 g/t Au were prepared by BIGS Global and split to 50 grams and then analyzed by standard fire assay. Composites presented in the assay results tables include intervals with a grade - thickness equal or greater than 10 grams of gold per tonne - metre ("g/t.m") with a minimum grade of 0.8 g/t Au over a 1 m minimum width with a maximum internal dilution of 2 m. No assays results were capped.

## About Avnel Gold

Avnel Gold is a TSX-listed gold mining, exploration and development company with operations in south-western Mali in West Africa. The Company's focus is to develop its 80%-owned Kalana Main Project from a small underground mine into a low-cost, open pit mining operation. The Company is also advancing several nearby satellite deposits on the 387 km<sup>2</sup> 30-year Kalana Exploitation Permit.

On March 31, 2014, the Company reported a Mineral Resource estimate and the results of a Preliminary Economic Assessment ("PEA") prepared by Snowden Mining Industry Consultants. The PEA outlines a 14-year open-pit mine life at the Kalana Main Project recovering 1.46 million ounces of gold at an average "all-in sustaining cost" of \$577 per ounce with an initial capital cost of \$149 million. Utilising a gold price of \$1,110 per ounce and a 10% discount rate, the PEA reported a net present value ("NPV") of \$194 million after-tax and imputed interest, and an internal rate of return ("IRR") of 53% on a 100% project basis. The Company is now advancing the project to Definitive Feasibility, which is scheduled to be completed in the first quarter of 2016.

*No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.*

## CAUTIONARY STATEMENTS

### Forward-Looking Statements

This news release includes certain "forward-looking statements". All statements, other than statements of historical fact, included in this release, including the future plans and objectives of Avnel Gold, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Avnel Gold's expectations include, among others, risks related to international operations, the actual results of current exploration activities, conclusions of economic evaluations and changes in project parameters as plans continue to be refined as well as future prices of gold and silver, as well as those factors discussed in the section entitled "Risk Factors" in Avnel Gold's Annual Information Form, which is available on SEDAR ([www.sedar.com](http://www.sedar.com)). Although Avnel Gold has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

### Preliminary Economic Assessment

The Kalana Main Preliminary Economic Assessment ("PEA") is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves; thus, there is no certainty that the economic benefits indicated in the PEA will be realised. The PEA is subject to a number of assumptions, including, among others that an Environmental and Social Impact Assessment ("ESIA") will be completed within the required timeline, all required permits will be obtained in a timely manner, the company will continue to have the support of local community, a constant regulatory environment and no material increase occurs to the estimated costs. The Kalana Main PEA is based upon an 8.54 million tonne Indicated Mineral Resource grading 4.53 g/t Au containing 1.25 million ounces and a 2.09 million tonne Inferred Mineral Resource grading 3.76 g/t Au containing 0.25 million ounces utilising a cut-off grade of 0.9 g/t Au. The PEA also includes 0.66 million tonnes of tailings grading 1.80 g/t Au that are classified as an Indicated Mineral Resource. Investors are cautioned not to assume that all or any portion of the Mineral Resource will ever be converted into a Proven and Probable Mineral Reserve. The NI 43-101-compliant technical report for the PEA and the Mineral Resource Estimate was prepared by Allan Earl, Executive Consultant, and Ivor Jones, Executive Consultant, of Snowden Mining Industry Consultants, each of whom are independent Qualified Persons, as defined in NI 43-101. The PEA was filed on SEDAR ([www.sedar.com](http://www.sedar.com)) on March 31, 2014.

## TECHNICAL INFORMATION

Except where indicated, the disclosure contained or incorporated into this press release of an economic, scientific or technical nature, has been summarised or extracted from the *National Instrument 43-101 - Standards of Disclosure for Mineral Projects* ("NI 43-101") compliant technical report titled "Kalana Mineral Resource Estimate and Preliminary Economic Assessment - Mali, NI 43-101 Technical Report" dated effective 31 March 2014 (the "Kalana Technical Report"), prepared by Snowden Mining Industry Consultants Pty Ltd. ("Snowden"). The Kalana Technical Report was prepared by Mr. Allan Earl, Executive Consultant, and Mr. Ivor W.O. Jones, Executive Consultant, both of Snowden at that time. Both Mr. Allan Earl and Mr. Ivor W.O. Jones are independent "Qualified Persons" as such term is defined in NI 43-101. Readers should consult the Kalana Technical Report to obtain further particulars regarding the Kalana Project, the Kalana Main Project, and the underground Kalana Gold Mine. The Kalana Technical Report, which constitutes the current technical report for the Kalana Main Project, was filed on SEDAR on March 31, 2014 and is available for review at [www.sedar.com](http://www.sedar.com).

Information of an economic, scientific, or technical nature in this press release regarding the March 2015 Mineral Resource estimates (the "March 2015 MRE"), as defined above, is summarised or extracted from reports prepared by Denny Jones Pty Ltd ("Denny Jones"). The March 2015 MRE has an effective date of March 19, 2015 and was prepared by Ivor W.O. Jones,

The Mineral Resources reported in this press release have been classified as Indicated or Inferred Mineral Resources within the meaning of the *CIM Definition Standards for Mineral Resources and Mineral Reserves* (November 2010) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council. The Mineral Resources may be affected by further infill and exploration drilling that may result in increases or decreases in subsequent resource estimates. The Mineral Resource may also be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, and other factors. Grade has been estimated using Multiple Indicator Kriging ("MIK"). Actual recoveries of mineral products may differ from reported Mineral Reserves and Mineral Resources estimates due to inherent uncertainties in acceptable estimating techniques. In particular, Inferred Mineral Resources have a great amount of uncertainty as to their existence, economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category of Mineral Resource. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Investors are cautioned not to assume that all or any part of the mineral deposits in these categories will ever be converted into Proven and Probable Mineral Reserves.

Information of a scientific or technical nature in this press release arising since the date of the Kalana Technical Report, excluding the September 2014 MRE (as defined in the Company's news release dated October 15, 2014) and March 2015 MRE, has been prepared under the supervision of Mr. Roy Meade, the Company's President, and Dr. Olivier Féménias, the Company's Vice-President, Geology, both of whom are non-independent "Qualified Persons" as such term is defined in NI 43-101.

## NON-IFRS MEASURES

"Cash Operating Costs" is a non-GAAP and non-IFRS measure that does not have a standardised meaning prescribed by GAAP or IFRS and there may be some variation in the method of computation to other similarly titled measures of other gold mining companies. "Cash Operating Costs" is calculated as reported Production Costs, which includes costs such as mining, processing, administration, non-site costs (transport and refining of metals, and community and environmental), less royalties paid. These costs are then divided by the number of ounces sold to arrive at "Operating Cash Costs Per Ounce Sold".

"All-in Sustaining Cost Per Ounce" is a non-GAAP and non-IFRS measure that does not have a standardised meaning prescribed by GAAP or IFRS and there may be some variation in the method of computation to other similarly titled measures of other gold mining companies. In the PEA, Snowden calculates "All-in Sustaining Cost" is defined as mine site cash operating costs, which includes costs such as mining, processing, administration, but excludes non-site costs (transport and refining of metals and royalties), plus sustaining capital costs, which includes community and environmental costs, plus closure costs. These costs are then divided by the number of ounces produced to arrive at "All-in Sustaining Cost Per Ounce".

To view FIGURES 1, 2, and 3, please visit the following link:  
<http://avnelgold.com/wp-content/uploads/News/2015/20150714-AVK-Figures-01-03.pdf>.

Table 1: Kalana Main Drilling Lines N000 and S050 - Select Composite Intervals

Includes intervals >10 g/t-m, cut-off of 0.8 g/t Au, maximum 2m of internal dilution, no assays are capped

| Hole ID          | From (m) | To (m) | Interval (m) | Grade (g/t Au) | g/t-m | Comment        | Line |
|------------------|----------|--------|--------------|----------------|-------|----------------|------|
| KA-SOM-RCDD003   |          |        |              |                |       | Abandoned      | N000 |
| KA-SOM-RCDD003A  | 24       | 32     | 8            | 1.5            | 11.8  |                | N000 |
| KA-SOM-RCDD005   | 112      | 118    | 6            | 2.6            | 15.4  |                | S050 |
|                  | 274      | 278    | 4            | 2.9            | 11.7  |                |      |
| KA-SOM-RCDD006   | 0        | 5      | 5            | 4.6            | 22.9  | inc 1m@20.1g/t | S050 |
|                  | 79       | 85     | 6            | 2.6            | 15.6  |                |      |
|                  | 282      | 285    | 3            | 5.4            | 16.2  | inc 1m@10.4g/t |      |
|                  | 379      | 385    | 6            | 10.3           | 61.9  | inc 1m@54.1g/t |      |
| KA-SOM-RCDD007*  | 211      | 222    | 11           | 7.8            | 85.5  | inc 1m@53.1g/t | N000 |
|                  | 227      | 243    | 16           | 2.1            | 34.0  | and 1m@19.8g/t |      |
|                  | 258      | 266    | 8            | 2.0            | 15.9  |                |      |
|                  | 318      | 321    | 3            | 5.3            | 15.9  | inc 1m@10.4g/t |      |
| KA-SOM-RCDD008   |          |        |              |                |       | Abandoned      | N000 |
| KA-SOM-RCDD008A  |          |        |              |                |       | Abandoned      | N000 |
| KA-SOM-RCDD008B* | 316      | 317    | 1            | 16.1           | 16.1  |                | N000 |
|                  | 349      | 355    | 6            | 5.0            | 30.3  | inc 1m@18.1g/t |      |
| KA-SOM-RCDD009*  |          |        |              |                |       | No intervals   | N000 |

(1) Due to the exploratory nature of this program and the variable orientations of the high-grade mineralized zones, the intersections presented herein may not necessarily represent the true width of mineralization

(2) Numbers in bold represent intervals greater than 30 grams/tonne-metres (30 g/t-m)

(3) "\*" denotes that additional assays from these holes are pending

Table 2: Kalana Main Drilling Lines N000 and S050 - Drill Hole Data

| Hole ID         | Easting | Northing | Length | Dip | Azimuth | Type  | Section |
|-----------------|---------|----------|--------|-----|---------|-------|---------|
| KA-SOM-RCDD003  | 587187  | 1193091  | 21     | -60 | 344     | RC-DD | N000    |
| KA-SOM-RCDD003A | 587188  | 1193092  | 291    | -60 | 344     | RC-DD | N000    |
| KA-SOM-RCDD005  | 587305  | 1193080  | 354    | -60 | 254     | RC-DD | S050    |
| KA-SOM-RCDD006  | 587387  | 1193104  | 429    | -60 | 254     | RC-DD | S050    |
| KA-SOM-RCDD007  | 587289  | 1193117  | 342    | -60 | 254     | RC-DD | N000    |
| KA-SOM-RCDD008  | 587378  | 1193141  | 15     | -60 | 254     | RC-DD | N000    |
| KA-SOM-RCDD008A | 587377  | 1193138  | 2      | -60 | 254     | RC-DD | N000    |
| KA-SOM-RCDD009  | 587476  | 1193175  | 444    | -60 | 254     | RCDD  | N000    |

(1) Collar coordinates in UTM Zone 29 WGS84 surveyed using a DGPS

(2) RC = reverse circulation drill hole, DD = diamond drill hole

Table 3: Kalana Main Central Infill Drilling - Select Composite Intervals

Includes intervals >10 g/t-m, cut-off of 0.8 g/t Au, maximum 2m of internal dilution, no assays are capped

| Hole ID      | From (m) | To (m) | Interval (m) | Grade (g/t Au) | g/t-m | Comment                     | Line |
|--------------|----------|--------|--------------|----------------|-------|-----------------------------|------|
| KA-SOM-RC583 | 5        | 13     | 8            | 3.3            | 26.4  | inc 1m@15.4g/t              | W445 |
|              | 22       | 33     | 11           | 1.5            | 16.7  |                             |      |
|              | 64       | 79     | 15           | 6.0            | 90.6  | inc 1m@21.8g/t & 1m@55.9g/t |      |
| KA-SOM-RC638 | 9        | 14     | 5            | 3.1            | 15.3  | inc 1m@10.2g/t              | W340 |
|              | 26       | 27     | 1            | 16.3           | 16.3  |                             |      |
|              | 31       | 43     | 12           | 2.6            | 31.1  | inc 1m@12.4g/t              |      |
|              | 52       | 53     | 1            | 21.8           | 21.8  |                             |      |
|              | 121      | 122    | 1            | 14.8           | 14.8  |                             |      |
|              | 47       | 164    | 17           | 2.4            | 40.1  |                             |      |
| KA-SOM-RC639 | 149      | 161    | 12           | 1.8            | 21.7  | inc 1m@10.2g/t              | W340 |
| KA-SOM-RC641 |          |        |              |                |       | No intervals                |      |
| KA-SOM-RC642 | 0        | 5      | 5            | 3.7            | 18.3  |                             | W280 |
|              | 39       | 44     | 5            | 2.1            | 10.7  |                             |      |
| KA-SOM-RC645 | 2        | 15     | 13           | 0.8            | 10.9  |                             | W386 |
|              | 24       | 39     | 15           | 1.7            | 26.2  |                             |      |
| KA-SOM-RC646 | 24       | 31     | 7            | 3.2            | 22.6  | Inc 1m@12.7g/t              | W386 |
|              | 72       | 76     | 4            | 4.1            | 16.4  |                             |      |
|              | 133      | 142    | 9            | 1.4            | 12.2  |                             |      |
| KA-SOM-RC647 | 47       | 49     | 2            | 6.7            | 13.3  | inc 1m@12.35g/t             | W600 |

(1) Due to the exploratory nature of this program and the variable orientations of the high-grade mineralized zones, the intersections presented herein may not necessarily represent the true width of mineralization

(2) Numbers in bold represent intervals greater than 30 grams/tonne-metres (30 g/t-m)

Table 4: Kalana Main Central Infill Drilling- Drill Hole Data

| Hole ID      | Easting | Northing | Length | Dip | Azimuth | Type | Section |
|--------------|---------|----------|--------|-----|---------|------|---------|
| KA-SOM-RC583 | 587163  | 1193191  | 200    | -60 | 344     | RC   | W445    |
| KA-SOM-RC638 | 587256  | 1193236  | 172    | -60 | 344     | RC   | W340    |
| KA-SOM-RC639 | 587245  | 1193259  | 168    | -60 | 344     | RC   | W340    |
| KA-SOM-RC641 | 587305  | 1193253  | 145    | -60 | 344     | RC   | W280    |
| KA-SOM-RC642 | 587299  | 1193276  | 142    | -60 | 344     | RC   | W280    |
| KA-SOM-RC645 | 587217  | 1193218  | 170    | -60 | 344     | RC   | W386    |
| KA-SOM-RC646 | 587203  | 1193236  | 160    | -60 | 344     | RC   | W386    |
| KA-SOM-RC647 | 587197  | 1193259  | 150    | -60 | 344     | RC   | W386    |

(1) Collar coordinates in UTM Zone 29 WGS84 surveyed using a DGPS

(2) RC = reverse circulation drill hole, DD = diamond drill hole

Table 5: Kalana Main North Central Infill and Extension Drilling - Select Composite Intervals

Includes intervals >10 g/t-m, cut-off of 0.8 g/t Au, maximum 2m of internal dilution, no assays are capped

| Hole ID | From (m) | To (m) | Interval (m) | Grade (g/t Au) | g/t-m | Comment | Line |
|---------|----------|--------|--------------|----------------|-------|---------|------|
|---------|----------|--------|--------------|----------------|-------|---------|------|

|               |     |     |    |      |      |                 |      |
|---------------|-----|-----|----|------|------|-----------------|------|
| KA-SOM-DD173  |     |     |    |      |      | No intervals    | W340 |
| KA-SOM-DD174  |     |     |    |      |      | No intervals    | W340 |
| KA-SOM-RC541  |     |     |    |      |      | No intervals    | W312 |
| KA-SOM-RC542  | 3   | 11  | 8  | 1.6  | 13.2 |                 | W360 |
|               | 96  | 106 | 10 | 1.6  | 16.3 | comp 74m@2.0g/t |      |
|               | 110 | 138 | 28 | 2.5  | 68.9 |                 |      |
|               | 141 | 161 | 20 | 2.4  | 49.0 |                 |      |
|               | 165 | 170 | 5  | 2.4  | 11.8 | End of Hole     |      |
| KA-SOM-RC543  |     |     |    |      |      | No intervals    | W360 |
| KA-SOM-RC634  | 5   | 31  | 26 | 1.1  | 29.4 |                 | W510 |
|               | 36  | 45  | 9  | 1.4  | 12.2 |                 | W510 |
| KA-SOM-RC648  | 51  | 58  | 7  | 5.2  | 36.6 | inc 1m@26.6g/t  | W340 |
|               | 142 | 143 | 1  | 17.3 | 17.3 |                 |      |
| KA-SOM-RC649  |     |     |    |      |      | Abandoned       | W340 |
| KA-SOM-RC649A |     |     |    |      |      | Abandoned       | W340 |
| KA-SOM-RC649B | 28  | 33  | 5  | 10.4 | 51.8 | inc 1m@41.2g/t  | W340 |
|               | 142 | 157 | 15 | 1.4  | 20.6 |                 |      |
| KA-SOM-RC650  |     |     |    |      |      | No intervals    | W340 |
| KA-SOM-RC651  | 96  | 104 | 8  | 1.8  | 14.1 |                 | W340 |
|               | 119 | 126 | 7  | 1.7  | 12.1 |                 |      |
| KA-SOM-RC652  |     |     |    |      |      | No intervals    | W280 |
| KA-SOM-RC653  |     |     |    |      |      | No intervals    | W280 |
| KA-SOM-RC654  | 174 | 180 | 6  | 1.7  | 10.2 |                 | W280 |
| KA-SOM-RC655  |     |     |    |      |      | No intervals    | W280 |
| KA-SOM-RC655A | 154 | 161 | 7  | 1.4  | 10.1 |                 | W280 |

(1) Due to the exploratory nature of this program and the variable orientations of the high-grade mineralized zones, the intersections presented herein may not necessarily represent the true width of mineralization

(2) Numbers in bold represent intervals greater than 30 grams/tonne-metres (30 g/t-m)

Table 6: Kalana Main North Central Infill and Extension Drilling - Drill Hole Data

| Hole ID       | Easting | Northing | Length | Dip | Azimuth | Type | Section |
|---------------|---------|----------|--------|-----|---------|------|---------|
| KA-SOM-DD173  | 587139  | 1193720  | 111    | -60 | 344     | DD   | W310    |
| KA-SOM-DD174  | 587154  | 1193669  | 120    | -60 | 344     | DD   | W310    |
| KA-SOM-RC541  | 587164  | 1193647  | 170    | -60 | 344     | RC   | W312    |
| KA-SOM-RC542  | 587138  | 1193551  | 170    | -60 | 344     | RC   | W360    |
| KA-SOM-RC543  | 587168  | 1193486  | 190    | -60 | 344     | RC   | W360    |
| KA-SOM-RC634  | 587013  | 1193473  | 162    | -60 | 344     | RC   | W510    |
| KA-SOM-RC648  | 587179  | 1193506  | 200    | -60 | 344     | RC   | W340    |
| KA-SOM-RC649  | 587172  | 1193524  | 12     | -60 | 344     | RC   | W340    |
| KA-SOM-RC649A | 587172  | 1193525  | 18     | -60 | 344     | RC   | W340    |
| KA-SOM-RC649B | 587171  | 1193527  | 193    | -60 | 344     | RC   | W340    |
| KA-SOM-RC650  | 587166  | 1193548  | 170    | -60 | 344     | RC   | W340    |
| KA-SOM-RC651  | 587158  | 1193563  | 150    | -60 | 344     | RC   | W340    |
| KA-SOM-RC652  | 587247  | 1193481  | 210    | -60 | 344     | RC   | W280    |
| KA-SOM-RC653  | 587228  | 1193517  | 210    | -60 | 344     | RC   | W280    |
| KA-SOM-RC654  | 587222  | 1193539  | 195    | -60 | 344     | RC   | W280    |
| KA-SOM-RC655  | 587216  | 1193562  | 30     | -60 | 344     | RC   | W280    |
| KA-SOM-RC655A | 587215  | 1193564  | 180    | -60 | 344     | RC   | W280    |

(1) Collar coordinates in UTM Zone 29 WGS84 surveyed using a DGPS

(2) RC = reverse circulation drill hole, DD = diamond drill hole

Table 7: Kalana Main Western Extension Drilling - Select Composite Intervals

Includes intervals >10 g/t-m, cut-off of 0.8 g/t Au, maximum 2m of internal dilution, no assays are capped

| Hole ID      | From (m) | To (m) | Interval (m) | Grade (g/t Au) | g/t-m | Comment        | Line |
|--------------|----------|--------|--------------|----------------|-------|----------------|------|
| KA-SOM-DD165 | 40       | 44     | 4            | 8.7            | 34.8  | inc 1m@31.4g/t | W600 |
| KA-SOM-DD167 | 46       | 47     | 1            | 12.5           | 12.5  |                | W600 |
| KA-SOM-DD168 |          |        |              |                |       | No Intervals   | W600 |
| KA-SOM-DD169 |          |        |              |                |       | No Intervals   | W600 |

|                |    |    |    |     |      |                |      |
|----------------|----|----|----|-----|------|----------------|------|
| KA-SOM-RCDD001 | 10 | 18 | 8  | 7.8 | 62.6 | inc 1m@56.3g/t | W600 |
|                | 39 | 50 | 11 | 1.9 | 21.2 |                | W600 |
| KA-SOM-RCDD002 |    |    |    |     |      | No Intervals   | W650 |

(1) Due to the exploratory nature of this program and the variable orientations of the high-grade mineralized zones, the intersections presented herein may not necessarily represent the true width of mineralization

Table 8: Kalana Main Western Extension Drilling - Drill Hole Data

| Hole ID        | Easting | Northing | Length | Dip | Azimuth | Type  | Section |
|----------------|---------|----------|--------|-----|---------|-------|---------|
| KA-SOM-DD165   | 587004  | 1193155  | 213    | -60 | 344     | DD    | W600    |
| KA-SOM-DD167   | 586983  | 1193252  | 154    | -60 | 344     | DD    | W600    |
| KA-SOM-DD168   | 586963  | 1193362  | 84     | -60 | 344     | DD    | W600    |
| KA-SOM-DD169   | 586944  | 1193400  | 64     | -60 | 344     | DD    | W600    |
| KA-SOM-RCDD001 | 587031  | 1193102  | 195    | -60 | 344     | RC-DD | W600    |
| KA-SOM-RCDD002 | 586978  | 1193091  | 111    | -60 | 344     | RC-DD | W650    |

(1) Collar coordinates in UTM Zone 29 WGS84 surveyed using a DGPS

(2) RC = reverse circulation drill hole, DD = diamond drill hole

Table 9: Kalana Main Eastern Extension Drilling - Select Composite Intervals

Includes intervals >10 g/t-m, cut-off of 0.8 g/t Au, maximum 2m of internal dilution, no assays are capped

| Hole ID         | From (m) | To (m) | Interval (m) | Grade (g/t Au) | g/t-m | Comment         | Line |
|-----------------|----------|--------|--------------|----------------|-------|-----------------|------|
| KA-SOM-DD172    |          |        |              |                |       | No intervals    | N400 |
| KA-SOM-DD175    | 271      | 274    | 3            | 174.0          | 522.1 | inc 1m@518.4g/t | N100 |
|                 | 134      | 139    | 5            | 2.6            | 12.8  |                 | N100 |
| KA-SOM-DD176    |          |        |              |                |       | No intervals    | S150 |
| KA-SOM-DD177    |          |        |              |                |       | No intervals    | S200 |
| KA-SOM-RC556    | 229      | 237    | 8            | 4.1            | 33.2  | inc 1m@11.71g/t | N175 |
| KA-SOM-RC564    |          |        |              |                |       | No intervals    | N200 |
| KA-SOM-RC566    |          |        |              |                |       | No intervals    | N200 |
| KA-SOM-RC580    | 67       | 68     | 1            | 27.1           | 27.1  |                 | N100 |
| KA-SOM-RC582    |          |        |              |                |       | No intervals    | N100 |
| KA-SOM-RCDD010* |          |        |              |                |       | No intervals    | N350 |
| KA-SOM-RCDD011  | 254      | 256    | 2            | 10.7           | 21.4  |                 | N140 |

(1) Due to the exploratory nature of this program and the variable orientations of the high-grade mineralized zones, the intersections presented herein may not necessarily represent the true width of mineralization

(2) "\*" denotes that additional assays from these holes are pending

Table 10: Kalana Main Eastern Extension Drilling - Drill Hole Data

| Hole ID        | Easting | Northing | Length | Dip | Azimuth | Type | Section |
|----------------|---------|----------|--------|-----|---------|------|---------|
| KA-SOM-DD172   | 587275  | 1193552  | 121    | -60 | 254     | DDTT | N400    |
| KA-SOM-DD175   | 587649  | 1193341  | 309    | -60 | 254     | DDTT | N100    |
| KA-SOM-DD176   | 588078  | 1193208  | 243    | -60 | 254     | DDTT | S150    |
| KA-SOM-DD177   | 588115  | 1193172  | 261    | -60 | 254     | DD   | S200    |
| KA-SOM-RC556   | 587510  | 1193386  | 260    | -60 | 254     | RC   | N175    |
| KA-SOM-RC564   | 587592  | 1193448  | 139    | -60 | 254     | RC   | N200    |
| KA-SOM-RC566   | 587541  | 1193432  | 120    | -60 | 254     | RC   | N200    |
| KA-SOM-RC580   | 587793  | 1193384  | 228    | -60 | 254     | RC   | N100    |
| KA-SOM-RC582   | 587697  | 1193356  | 187    | -60 | 254     | RC   | N100    |
| KA-SOM-RCDD010 | 587439  | 1193540  | 297    | -60 | 254     | RCDD | N350    |
| KA-SOM-RCDD011 | 587605  | 1193381  | 300    | -60 | 254     | RCDD | N140    |

(1) Collar coordinates in UTM Zone 29 WGS84 surveyed using a DGPS

(2) RC = reverse circulation drill hole, DD = diamond drill hole

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