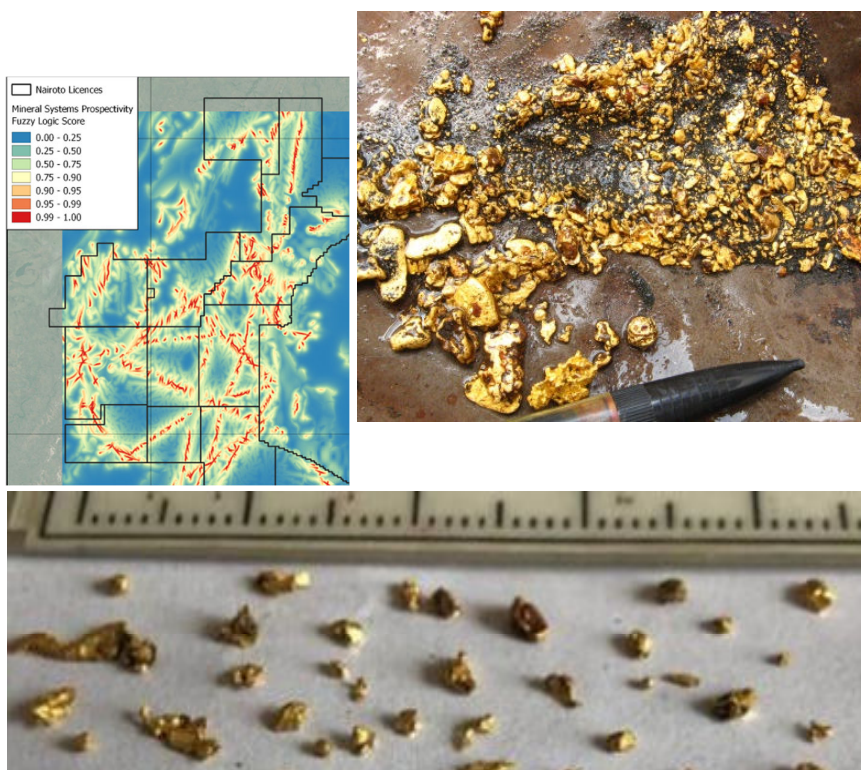


Executive Summary: Review of Nairoto Gold 2021 Exploration Results and Targeting Recommendations

Nairoto Gold, Cabo Del Gado, Mozambique
Nairoto Resources Limitada



SRK Exploration Services Ltd ■ ES4003 ■ 16 March 2022

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Nairoto Gold, Cabo Del Gado, Mozambique

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Cover Image(s):

Fuzzy logic model of Nairoto licences; alluvial gold in pan; gold grains recovered and measured from Nairoto licences

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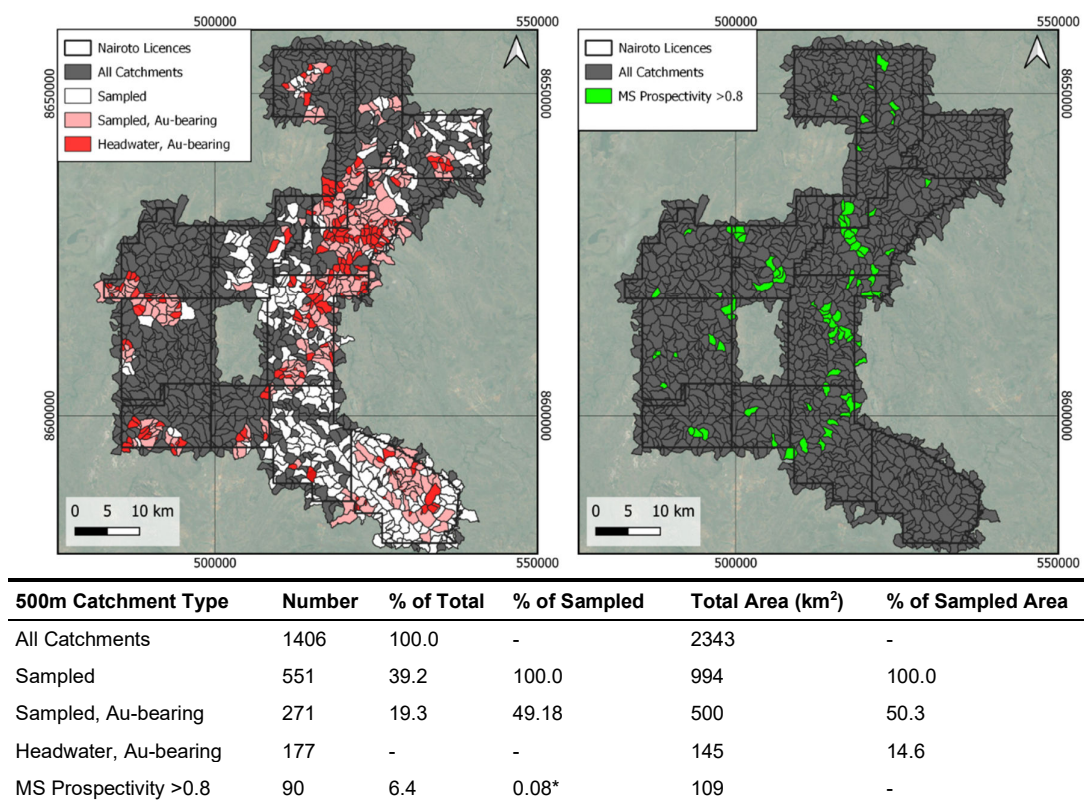
Executive Summary

SRK Exploration Services Limited (“SRK ES”) has been contracted by Nairoto Resources Limitada (“NRL”) to undertake a desktop review and targeting exercise utilising all NRL sampling data, including data from the 2021 exploration programme.

The success of NRL sampling programmes to date is illustrated in Figure 1. Out of a total of 1406 500m-scale catchment basins within the NRL licence areas, 551 were prioritized and sampled to a greater or lesser degree. 271 catchments have returned Au-bearing samples, representing a catchment success rate of 49.2%. SRK ES has extracted Au-bearing headwater catchments which represent prospective areas for primary orogenic gold mineralisation. Prospective headwater catchments represent 14.6% of the total sampled catchment area, which represents a significant prospective area reduction and indicates substantial primary Au prospectivity within the NRL licence areas.

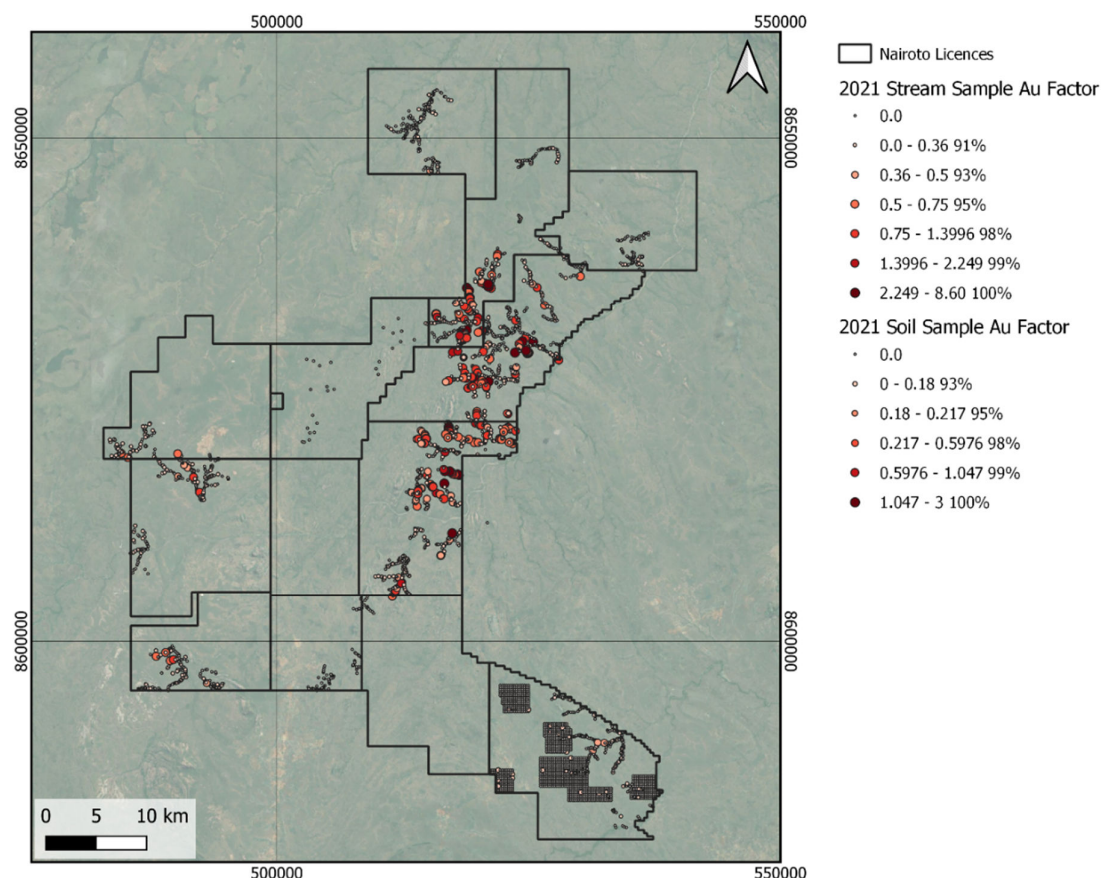
Au-bearing headwater catchments were used to create an empirical primary Au prospectivity model using Au Factor data, from which prioritised primary Au targets have been generated over sampled catchment areas. This model also drove the generation of alluvial secondary gold targets. SRK ES also generated a conceptual mineral-systems prospectivity model to identify primary Au targets in unsampled portions of the licence areas. 90 catchment basins returned mineral systems (MS)

Figure 1: Catchment basin maps illustrating the target area reduction process



Notes: *46/90 MS Prospectivity >0.8 targets have been sampled

Figure 2: Map of Au Factor data for 2021 NRL stream and soil sampling programmes



prospectivity scores >0.8, representing an area reduction of 94.6% with respect to the total number of catchments on which to focus the next phase of exploration (Figure 1).

Prospectivity modelling was used to prioritize areas for further exploration and has driven the generation of 63 prioritised exploration targets for the NRL licence areas. Exploration programmes are based on a strategic exploration workflow designed specifically for the NRL licence areas, which outlines the development of an unsampled conceptual mineral-systems target through to an advanced exploration stage via geochemical sampling, geophysical surveys and exploration drilling. Depending on the prospectivity and existing sampling density of each target, prioritised exploration programmes including stream sampling, soil sampling and ground magnetic surveys have been proposed. The high priority targets displayed in Figure 5 cover 19.9% of the total licence area.

SRK ES conducted a data validation exercise on the 2021 exploration results to establish the accuracy and representivity of the dataset and optimise the use of data in the Phase 2 targeting exercise. The “Au Factor” gold quantification method was assessed against umpire duplicate samples analysed at ALS Global Laboratories (AuME-TL43). Results show that under conditioning, Au Factor and analytical gold data show a strong positive relationship therefore Au Factor data from panned concentrate samples can be used as a method to quantify gold in stream samples at NRL. For future programmes, the Au Factor formula may require revision to ensure gold size fractions are appropriately weighted, potentially in line with theoretical models for power-law distributions such as Zipf’s law. In summary, the calculation of Au Factor values is recommended to continue and be improved upon.

Au Factor results from the 2021 NRL stream and soil sampling programmes are displayed in Figure 2. A total of 3,659 stream and soil samples were collected, with 978 samples found to contain gold, which represents 26.7% of the total sample set. 245 samples from the stream and soil data record Au Factor anomalies >93rd percentile, representing 6.7% of the total sample set. These results indicate significant gold prospectivity within the NRL licence areas.

Figure 3: Summary of Au Factor results for 2021 NRL stream and soil sampling programmes

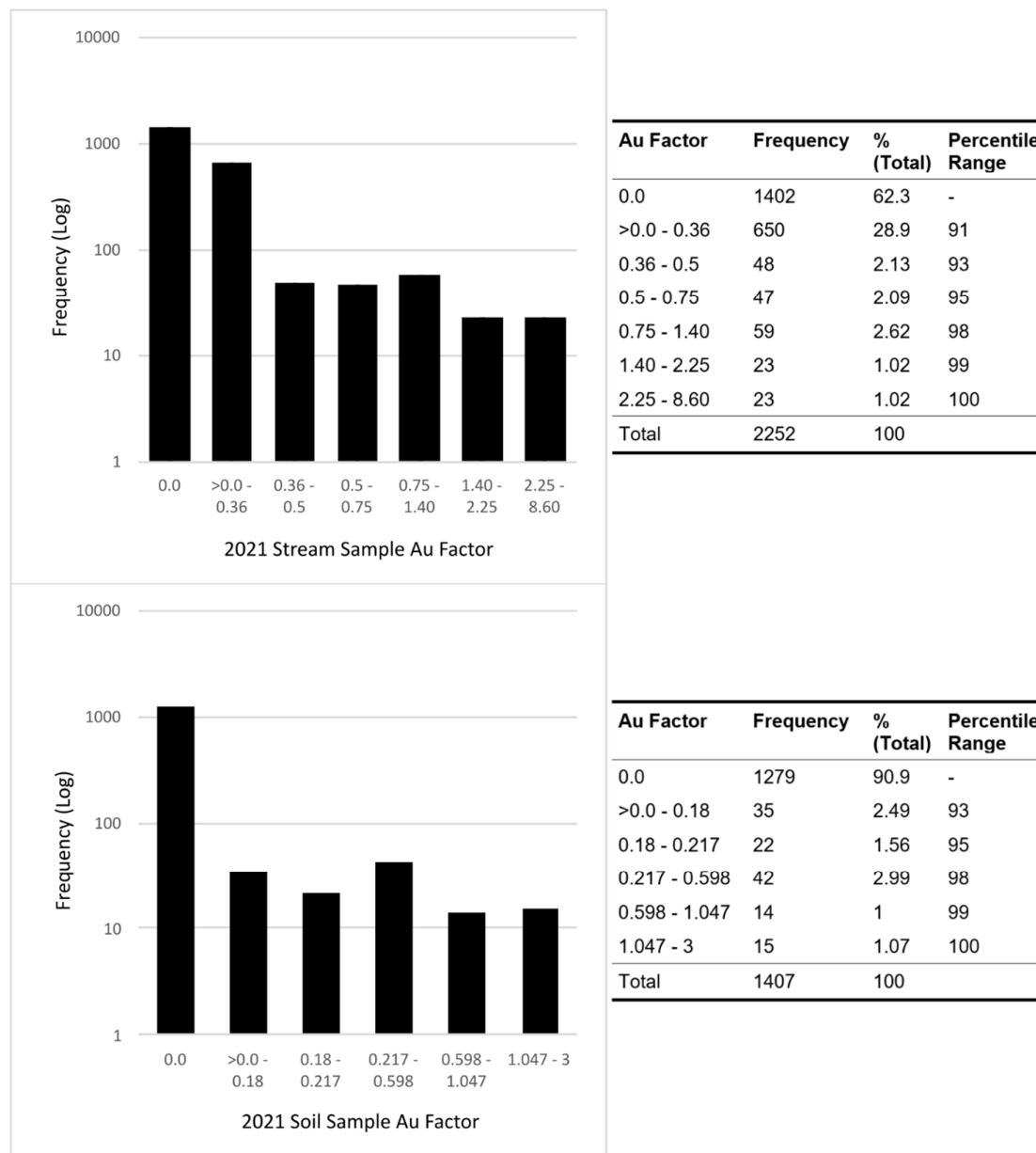
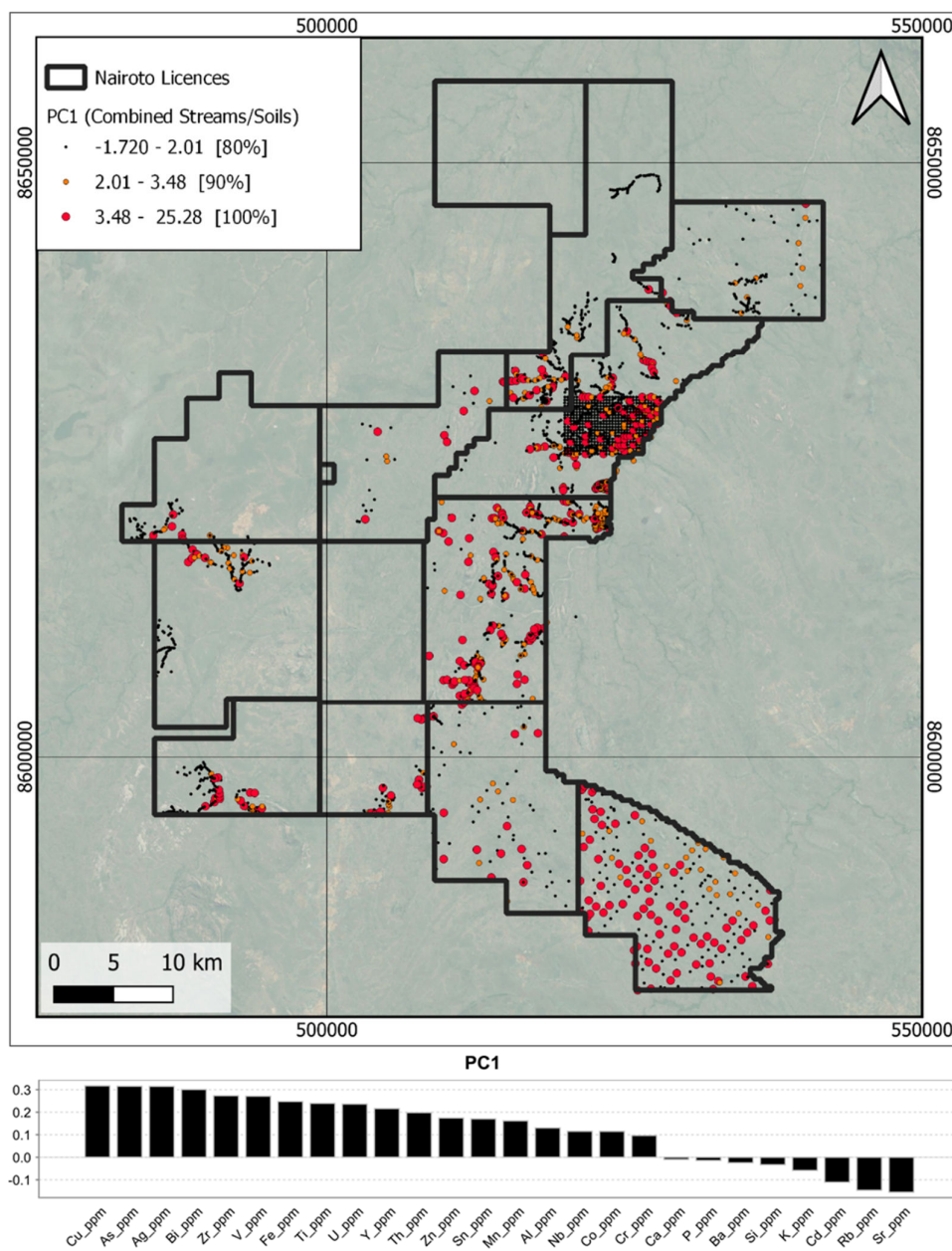


Figure 4: PC1 sample scores for 2021 NRL stream and soil sampling programmes



PC1 Score	Frequency	% (Total)	Percentile Range
< -1.7	1071	30.20	30
-1.6	1057	29.81	60
0.0 - 3.48	1062	29.95	90
3.48 - 5.0	179	5.05	95
5.0 - 6.9	106	2.99	98
6.9 - 8.4	36	1.02	99
8.4 - 25.3	35	0.99	100
Total	3456	100.00	

Principal Component Analysis was performed on multielement pXRF data from the 2021 stream sediment and soil sampling programme. A strong multielement correlation including Cu, As, Ag and Bi was identified (PC1) and interpreted as a hydrothermal mineralisation signal. This correlation was selected as a targeting criterion during Phase 2. 356 samples recorded PC1 scores above the 90th percentile (3.5) indicating a strong association with the mineralisation signal, which represents 10% of the combined soil and stream sample set (Figure 4).

pXRF analysis is a cost-effective technique that should continue to be used in future sampling programmes. SRK ES recommends that Priority 1 soil samples are sent to a 3rd part analytical laboratory as a piloting exercise to identify direct multielement correlations with gold. Ionic geochemistry is also recommended over selected targets to provide “direct detection” vectors to mineralisation.

Phase 2 Exploration Targeting was conducted to identify prospective areas for primary orogenic and alluvial secondary gold mineralisation. Secondary gold mineralisation, primarily identified from gold—bearing stream samples, can be used to locate primary gold sources in headwater catchment basins. Identification of primary gold sources in turn allows further targeting for secondary gold deposits in downstream trap sites.

Empirical Primary Au Prospectivity was calculated by first defining headwater catchment areas containing positive Au Factor values from a combined dataset of stream, soil, trench and pit panned concentrate data. The maximum Au Factor within each headwater was used to generate empirical primary Au prospectivity scores. These scores were used as targeting criteria in addition to outcrop mapping data, location of artisanal workings and PC1 sample scores in order to generate prioritised targets for follow-up exploration.

Mineral Systems Primary Au Prospectivity was calculated using a fuzzy logic modelling approach. Input spatial criteria layers were reviewed and revised from the Phase 1 study. These layers originated from structural interpretation of regional aeromagnetic data and include 1st order faults, shear zones and higher order structures (Transport Pathways) in addition to fold axes, discontinuities, local extension sites and complexity gradient (Trap Sites). The fuzzy logic model generates prospectivity scores for each cell within the area of interest (AOI) as a function of the distance from Transport Pathway and Trap Site layers. Using a combination of AND (multiplicative) and OR (selective value) functions, the weighted spatial criteria scores are used to calculate a final mineral systems fuzzy logic score for primary Au prospectivity. The mean mineral systems prospectivity score was then extracted for each catchment area and targets were defined where multiple adjacent catchment basins recorded prospectivity scores >0.8.

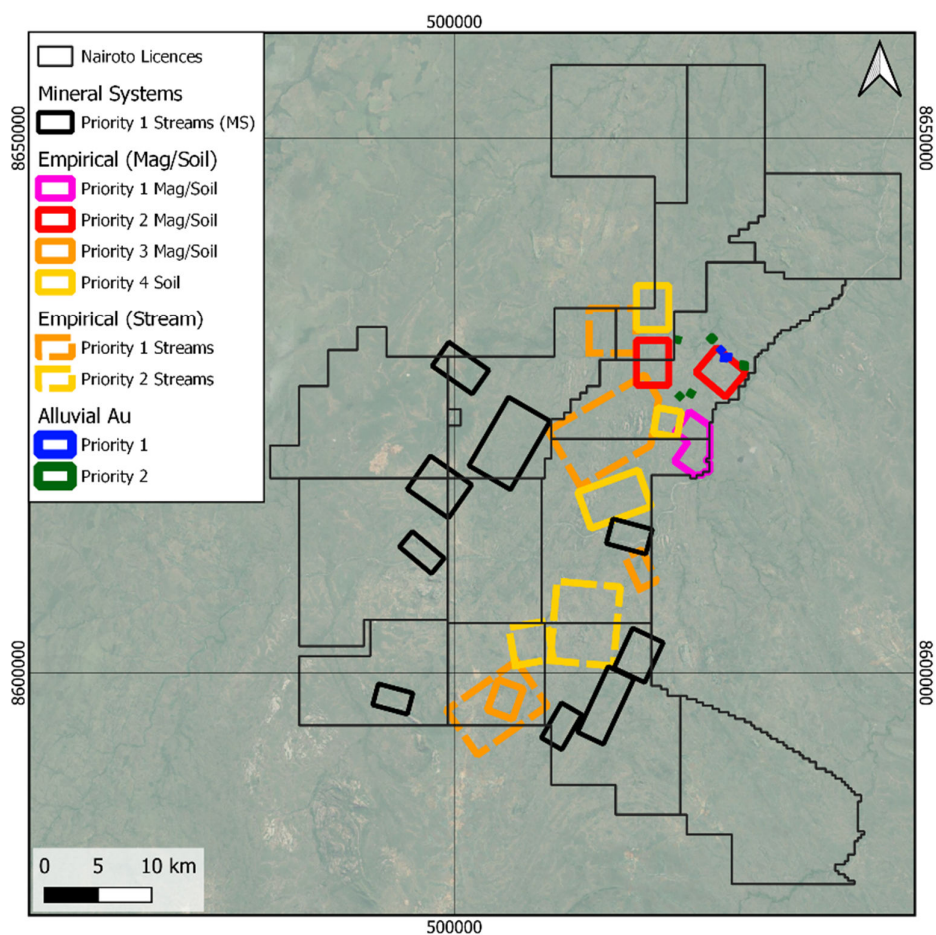
Targets were also generated for alluvial secondary Au prospectivity. These targets are located principally over hydrological trap sites located downstream from headwater catchments displaying high empirical primary Au prospectivity. The presence of nugget and coarse gold grains in samples collected upstream from these sites was also considered, in addition to local geomorphology. Targets were prioritised based on proximity to the existing NRL processing facility.

Depending on the prospectivity and existing sampling density of each target, prioritised exploration programmes including stream sampling, soil sampling and ground magnetic surveys have been recommended. The orientation and line/sample spacing of the proposed programmes have been optimised based on local structural trends and effectiveness of previous sampling programmes. The ground magnetic survey programme spans three priority categories, totalling 451.3 line km. Priority 1,

2 and 3 soil programmes are planned in conjunction with magnetic surveys and total 3,142 samples. Combined soil and magnetic surveys have the intention of identifying gold mineralised structures at a target scale, which may be suitable for drill testing in future exploration programmes.

Stream sampling is recommended over unsampled mineral systems targets to define new prospective areas for gold mineralisation. Further stream or soil sampling is proposed over previously sampled areas to confirm or increase prospectivity and support further exploration by geophysical methods.

Figure 5: Map of high priority targets generated by SRK ES for NRL Licences

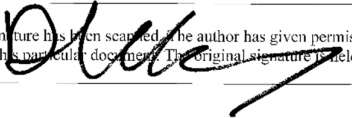


Target Type/Priority	Number	Area (km2)	% of Licence Area
Empirical (Mag/Soil) P1/P2/P3/P4	7	84	4.3
Empirical (Stream) P1/P2	6	179	9.1
Mineral Systems P1	9	126	6.4
Alluvial Au P1/P2	8	0.14	0.01
Total % of Licence Area			19.9

Signatures

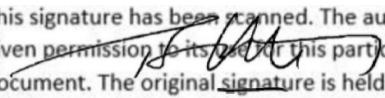
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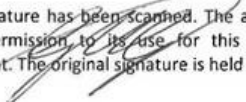
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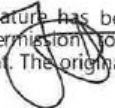
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