

# Metals and Mining Note

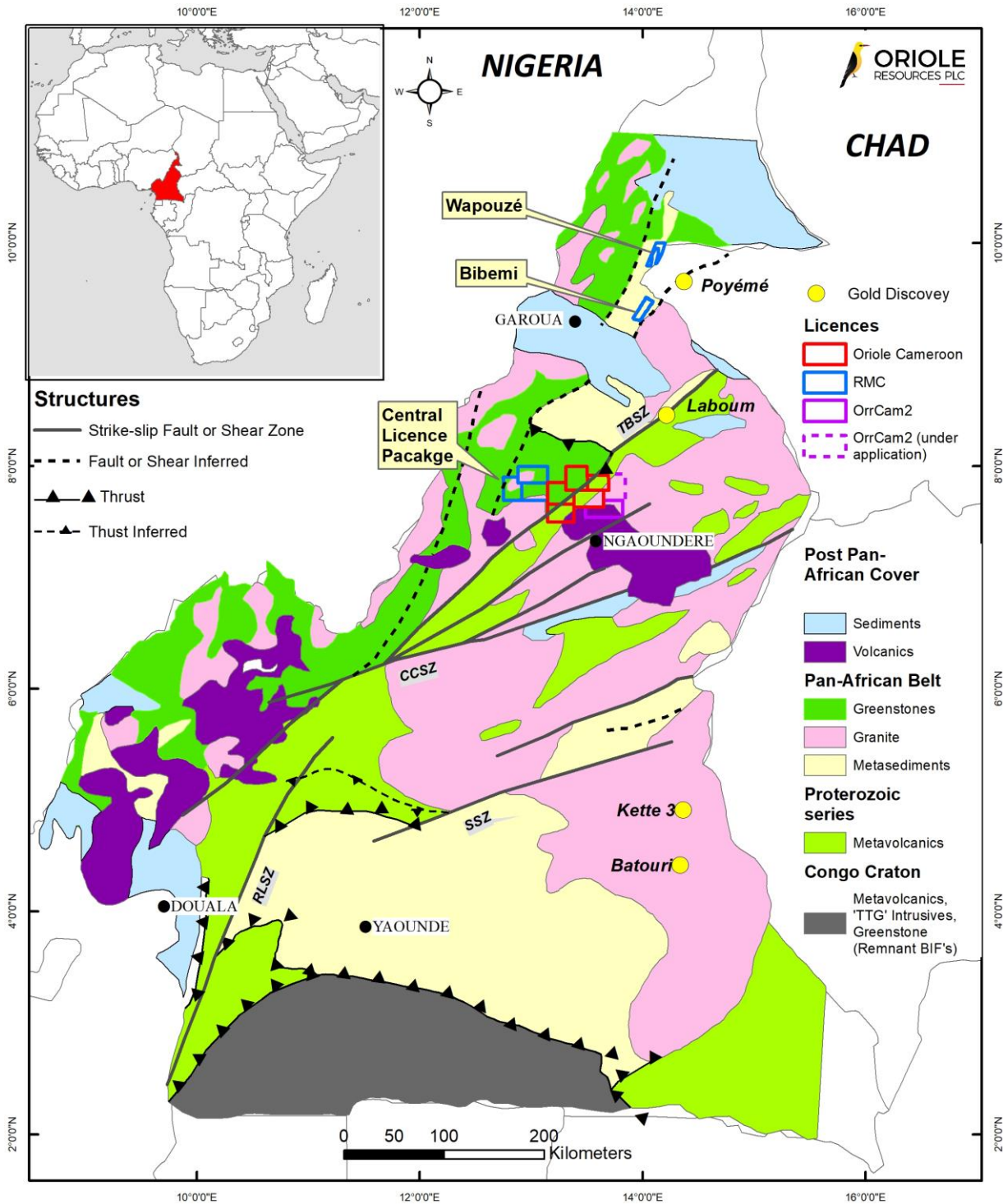
## Oriole Resources

1<sup>st</sup> February 2023

John Meyer

Sergey Raevskiy

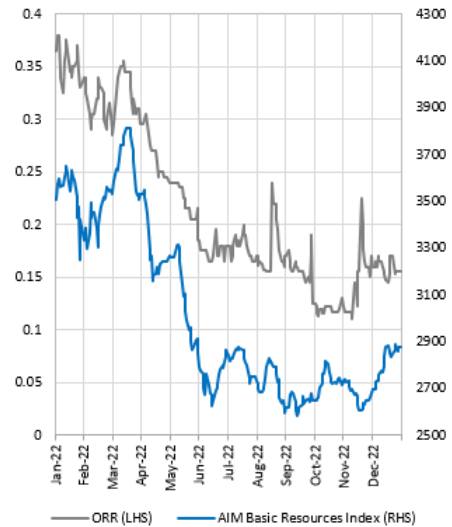
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1<sup>st</sup> February 2023

**Stock Data**

Ticker (AIM)	ORR LN
Share Price	0.14p
Market Cap	£3.8m



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# Mining Initiation Note

## Oriole Resources\*

ORR LN

### Optimising First Mover Advantage in Prospective Cameroon

Oriole Resources is an AIM-listed gold exploration company holding an expansive suite of prospective gold licences across West Africa, with a particular focus in Cameroon, a deeply under-explored and recently reformed mining jurisdiction. In addition to a substantial portfolio of licences across Cameroon, Oriole has legacy assets from its Stratex days in Europe and Africa as well as an earn-in agreement with IAMGOLD in Senegal. All of which offer potential for future cash flows and value generation.

**Expansive licence packages over Cameroon across a variety of development stages**

- Oriole’s Cameroonian portfolio covers over 4,400km<sup>2</sup> of prospective ground across three project areas. These include the most developed Bibemi, which hosts Cameroon’s first JORC Inferred Mineral Resource Estimate for orogenic gold; the district-scale Central Licence Package (CLP) project, which covers over 4,000km<sup>2</sup> and a range of prospective mineralization, including gold and lithium, and Wapouzé, which is located 20km north of Bibemi and sits in a similar geological setting.

**Bibemi Mineral Resource Estimate displays promising gold mineralisation with the opportunity to add ounces across the remaining 3 prospects on the licence**

- Oriole has moved quickly to maximise its first mover advantage, completing over 6,000m worth of drilling across 54 holes during four phased drill campaigns at its Bibemi project. This has enabled them to deliver a JORC MRE at Bakassi Zone 1, one of four prospects at the project. The maiden Resource, which has been estimated using a gold price of \$1,800/oz, is 305,000oz at 2.19g/t gold over 4.3mt in the Inferred category, with a 0.3g/t cut off and a 20g/t top cut. The Company is now looking to develop the remaining three prospects, with infill geophysics planned over the next few months to guide drill targeting, which the team is confident will support additional ounces at the project. The region is well supported by power and transport infrastructure able to support a standalone mining operation at Bibemi in due course.

**District-scale Central Licence Package Project provides widespread opportunities for discovery across numerous prospective geologies**

- At the district-scale CLP Project, which stretches across nine licences and 4,091km<sup>2</sup> of central Cameroon, the team has executed ground-based exploration work over the 2021 and 2022 field seasons. Soil and stream sediment sampling has yielded confirmation of multiple zones of gold anomalies covering a 50km long structural corridor. More targeted soil sampling has laid the groundwork for mapping and rock-chip sampling alongside ground-based geophysics for the 2022/23 field season, which the team will use to identify drill targets. Initial rock chip sampling for the 2022/2023 field season has returned high-grade results up to 134g/t from selective samples, raising the potential for orogenic-style gold mineralized systems.

**Earn in agreement with IAMGOLD on the Senala project offers free carried exposure to an advanced exploration asset in what is a highly mineralised region of Senegal**

- Oriole's 472.50km<sup>2</sup> Senala asset in Senegal offers potential for future value creation with limited cost exposure through an earn-in agreement with IAMGOLD. To date, IAMGOLD has spent \$4m in return for a 51% interest and has the right to earn a total 70% interest by spending an additional \$4m by the end of February 2024. In 2020, the Company published a Maiden JORC-compliant resource for Faré South, a target within just one of the five prospects within the licence and there remains significant upside to expand this. A combination of a supportive Senegalese government, major miners in the region and attractive geological anomalies offers Oriole an attractive asset on its balance sheet whilst being free carried to 2024. The nature of the earn in agreement enables the Oriole team to focus its efforts on its greenfield Cameroonian exploration. IAMGOLD has recently signed a definitive agreement to sell its West African assets to Managem for an aggregate consideration of c.\$282m. Managem and IAMGOLD's planned approach to the Senala asset is currently in discussion, with Oriole confident in its ability to capitalize on the asset's value.

#### **Reinforced balance sheet with opportunities for value generation and additional revenue streams inherited from Stratex era**

- Oriole's balance sheet and long-term potential is considerably strengthened by the legacy assets it has inherited from its previous Stratex era. These include royalty and development interests from its earlier focus in Turkey, alongside a 9.21% interest in Thani Stratex Djibouti which offers Oriole's shareholders exposure to the exploration of epithermal gold projects in the East African Rift Valley of Djibouti. The Company is working to realise value from these assets in order to maximise revenue to fund further exploration in Cameroon, estimating its wider portfolio of receivables in Turkey at c.\$1.7m.

#### **Proven team of exploration professionals with experience across the mining spectrum**

- Oriole's operations are led by a team with extensive experience in African exploration endeavours. The Company is headed by Tim Livesey as CEO who has three decades of experience in exploration and development projects with a focus on gold. Tim headed Barrick's Eurasia exploration efforts and was COO of Reservoir Minerals which was acquired by Nevsun Resources for \$365m. Claire Bay, a Chartered Geologist, heads exploration efforts on the ground and has over 15 years' experience exploring for gold alongside other minerals. They are supported on the Board by David Pelham, an industry veteran with over four decades of experience in global mineral exploration and Eileen Carr, who played key roles in the development of the Freda Rebecca gold mine in Zimbabwe, Ayanfuri gold heap leach project in Ghana alongside gold mine developments in Burkina Faso and Cote d'Ivoire.

#### **Strong foundations upon which to take advantage of recent funding going into the new field season**

- In Q4-22, the Company raised funds for its 2022/2023 field season. The majority of this work is focused on developing the CLP project, with developing drill targets being a primary concern. This will include mapping, rock chip sampling and follow-up infill soil sampling alongside geophysics to further analyse the 12.5km anomalous gold zone at the Mbe prospect. In addition to attractive initial gold anomalies, signs of lithium-bearing pegmatites within the package offer an alternative route to discovery of a key critical mineral to the energy transition.
- Following their development of Bakassi Zone 1 from an early-stage exploration project to Cameroon's first JORC-Inferred Mineral Resource Estimate. The field season will also see the team execute infill geophysics to guide a resource drill out and expansion campaign for Bibemi expected for Q4-2023. Adding further tonnage and ounces to Bibemi is achievable and expected, with Bakassi Zone 1 representing only one of four prospects within the licence and remaining open both at strike and depth.

- A combination of geological setting and the scale of anomalies at both Bibemi and the more underexplored CLP offer clear potential for further discovery, with both assets presenting the possibility of a +1moz gold deposit.

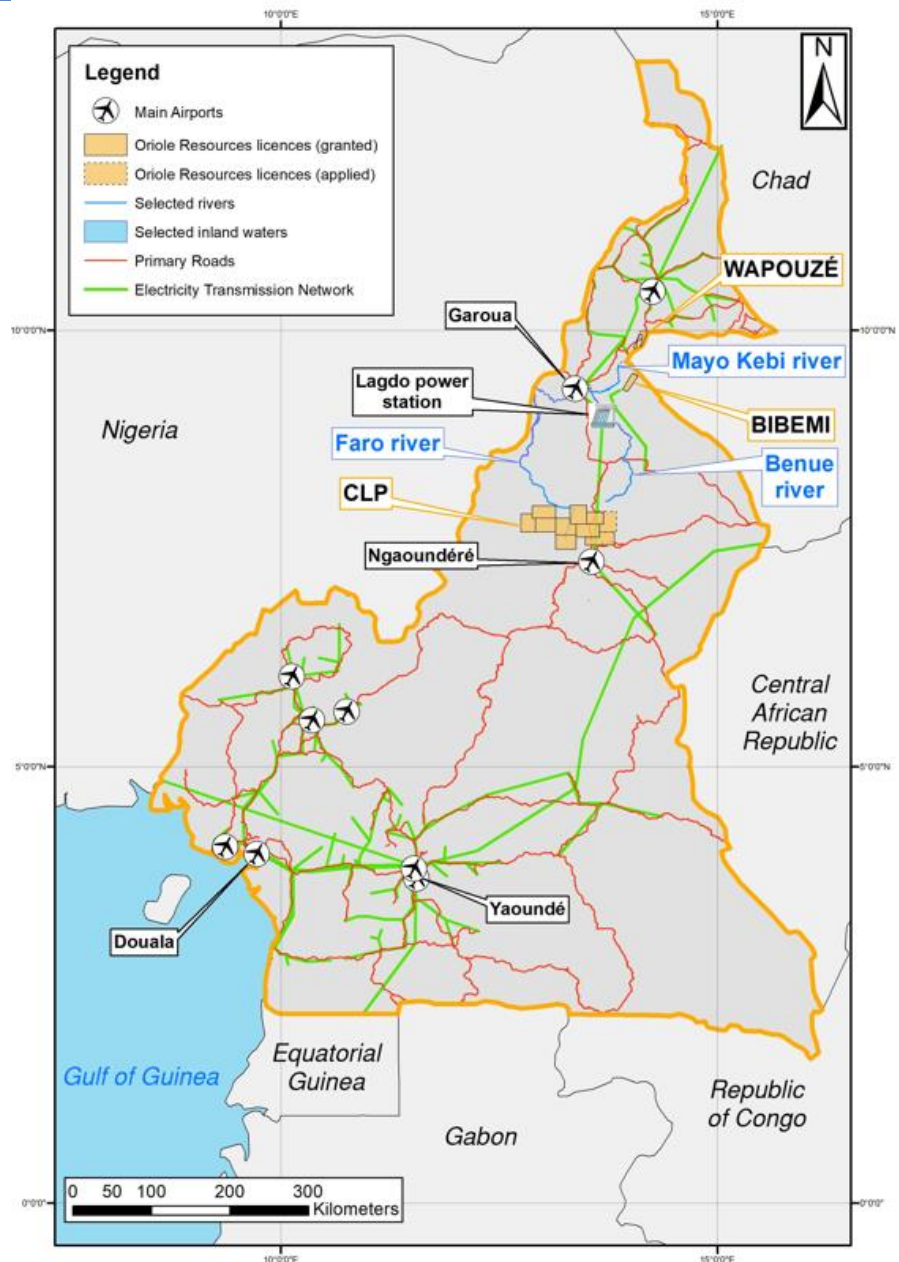
#### **Valuation Discussion**

- Considering early and late-stage exploration and development companies in the area, market valuation multiples range significantly from as low as \$3-4/oz MII (Total Resource) for marginal projects to \$36-184/oz for higher grade deposits with an average of \$17/oz for our selected sample of names.
- Given traditionally strong competition for robust projects with attractive economic potential in West Africa, we have highlighted various recent transactions in the region. These display valuation multiples ranging between \$17/oz-\$355/oz, with a wide disparity owing to differences in jurisdictions and project stage. Rising gold prices, coinciding with strong balance sheets for majors operating in the region, provide an opportunity for multiple expansion going forward, which we believe should support Oriole's efforts as they continue to add ounces to their resources and develop earlier stage exploration efforts in the CLP.
- Ultimately, Oriole Resources offers investors a portfolio of highly prospective, early-stage assets with significant room for value creation. By providing a fast-tracked JORC MRE at Bakassi Zone 1, the team has highlighted their ability to generate greenfield discoveries in under-explored jurisdictions such as Cameroon.

## Overview

Oriole Resources is an AIM quoted gold exploration company targeting early-stage exploration opportunities in Cameroon. The Company has a diverse range of licences across the country, spanning over 4,400km<sup>2</sup>. Bibemi, the Company’s most developed asset in Northern Cameroon, hosts the Country’s first JORC MRE at one of four prospects within the licence. In addition to Bibemi, Oriole boasts the district-scale Central Licence Package project, with highly prospective gold and lithium anomalies, in addition to Wapouzé to the north of Bibemi. The three projects in Cameroon are well positioned, with primary roads, electricity transmission networks and large-scale hydropower stations within the local vicinity. Supporting Oriole’s Cameroonian exploration efforts is a suite of valuable legacy assets in addition to an earn-in agreement with IAMGOLD on the Senala licence.

### Oriole’s Licence Packages & Local Infrastructure



Source: Company



Oriole is the result of the transition of Stratex away from Turkish gold exploration towards West Africa, with the Company's primary mandate to take advantage of their first mover advantage in Cameroonian gold exploration. To date, the team has proven their ability to deliver cost effective and fast-tracked success in both ground-based geology and geophysics alongside multiple drill programmes. Not only has Oriole's Cameroonian story so far highlighted the team's ability to deliver results, it also underlines the appeal of operating in Cameroon, an highly underexplored jurisdiction that recently underwent a radical overhaul of mining codes and cadastres to the benefit and advantage of the mining and exploration sectors.

Oriole's team on the ground is led by the combination of Tim Livesey (CEO) and Claire Bay, head of exploration. Tim has a career in exploration, development and mining spanning over 30 years and was Barrick's exploration manager in Eurasia, giving him strong foundations for leading early stage gold exploration projects. Tim also served as both Project Director and CEO of Tethyan Copper Company, a Joint Venture between Antofagasta and Barrick that owned the Reko Diq Copper project in Pakistan. Tim served as COO of Reservoir Minerals before its successful takeover by Nevsun Resources for \$365m. Alongside Tim, Claire has served at Stratex and subsequently Oriole since 2007 where she has gained expertise in leading ground level exploration programs across Africa and Turkey. Claire was an integral part of Stratex, which oversaw the successful exploration campaigns and subsequent discovery of 2.2Moz Au, 7moz Ag and 186kt Cu, alongside the transition exploration to gold pour at its 45% owned Altintepe gold mine in Turkey. Given the Management's extensive experience in both major development and production operations alongside early-stage, grassroots exploration efforts, Oriole is well positioned to advance their Cameroonian assets through each stage of the process towards commercialization.

#### Oriole's Footprint Across West Africa



Source: Company

Oriole's expansive Cameroonian licence packages lie across the prospective Neoproterozoic Pan-African greenstone belts. West Africa has been a consistent provider of gold discoveries, with a wide variety and range of explorers, developers and producers populating Mali, Cote D'Ivoire, Senegal, Guinea, Burkina Faso and Ghana, Africa's largest gold producer. To the East of Cameroon lies the Democratic Republic of Congo, another highly prospective gold jurisdiction, hosting the 13-14moz Kibali gold project and recording the 10<sup>th</sup> largest known gold reserves despite decades without exploration across much of the country. Cameroon sits at the epicenter between the West African Craton, the Sahara metacraton and the Congo Craton. Oriole's Bibemi and Wapouze assets lie in Northern Cameroon, which is dominated by a North/Northeast-trending batholith formed of Neoproterozoic medium to high grade metamorphic volcanosedimentary schist belts. Cameroon's Northern gold mineralization developed following the Pan-African Event, most commonly associated with widespread developments of orogenic gold deposition. Additionally, the crustal structures that Oriole are exploring along can also be tracked into gold-bearing regions of Brazil.

Cameroon's 2022/2023 field season is currently underway, with the team focusing primarily on expanding their understanding of the expansive CLP project, whilst also making efforts to transition the Bibemi project towards the development stage of low cost gold mining through adding tonnage to the initial Bakassi Zone 1 JORC-inferred MRE. At the CLP, the five Eastern CLP licences will be prioritised, with the team executing mapping, rock-chip sampling and infill soil sampling with the goal of generating a geological model for gold and drill target definition. Geophysics will be utilised to generate a third dimensional understanding of the Mbe anomaly, whilst elsewhere in the package, at Ndom and Gamboukou, early-stage ground work will be undertaken to analyse the potential for lithium-bearing pegmatites. The Company remains well funded from its £600k equity placing last year and continues to run a fiscally tight ship overseen by Bob Smeeton. Further cash injections are expected in the first half of 2023, generated from Research and Development tax credits and the potential IPO of Elephant Oil, a legacy asset in which the Company currently holds 0.6%.

The Company had \$0.5m cash in the bank as of 30/6/22 (before the fundraise noted above) with no debt on the balance sheet. 2.7b shares are currently in issue with 87.5m options outstanding (at a weighted average exercise price of 0.25p and weighted average contractual life of 7 years) and 188.9m warrants outstanding (at an exercise price of 0.25p and an expiry date of July 2025).

## Valuation yardsticks – EV per ounce of resource for explorers and corporate activity in West Africa

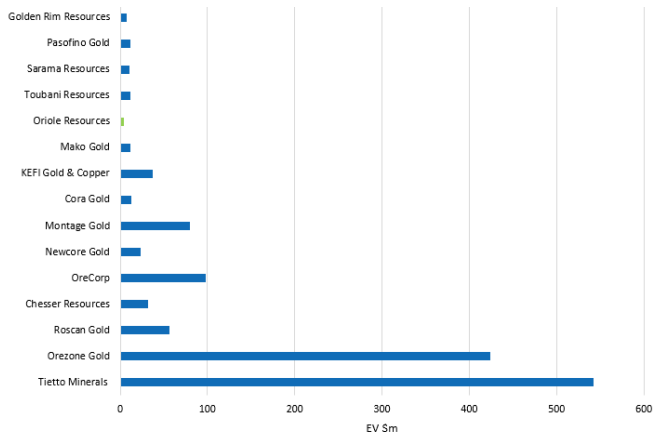
Oriole is currently developing a suite of licences across Cameroon and has delivered an initial JORC MRE in the inferred category at Bakassi Zone 1, one of four projects at its Bibemi licence. In addition to 305koz Au at Bibemi, Oriole has a 49% interest in a 105koz Au Inferred MRE in Senegal at Senala. Whilst Oriole's current combined attributable gold grade stands at 1.75g/t, the MRE at Bakassi Zone 1 offers 2.19g/t, which would place Bibemi towards the higher end of the selected peers on a grade basis. We highlight potential valuation multiples that Oriole may attract, with further definition and increases in both tonnage and ounces at both Bibemi and Senala anticipated to bolster longer term multiples assigned to the company. We do, however, recognise that Oriole's West African assets are in their infancy and several years away from the development stage of highlighted projects.

West Africa, alongside various junior gold developers in Ethiopia and Tanzania, presents a diverse range of gold projects, including established operating mines, later stage development assets and exploration projects across an array of development phases. Despite bullish gold prices since the October 2022 trough at \$1,640/oz - with bullion now pushing a top range of \$1,940/oz – a significant inflow of capital into the junior gold exploration sector has failed to materialize following seven months of weakening spot prices. The Van Eck Junior Gold Miners ETF remains c.40% lower than its peak reached in 2020 when gold prices stood at similar levels to today. We expect inflows into the sector to accelerate with less volatile gold prices, supporting valuation multiples across the sector and across each stages of the development stage.

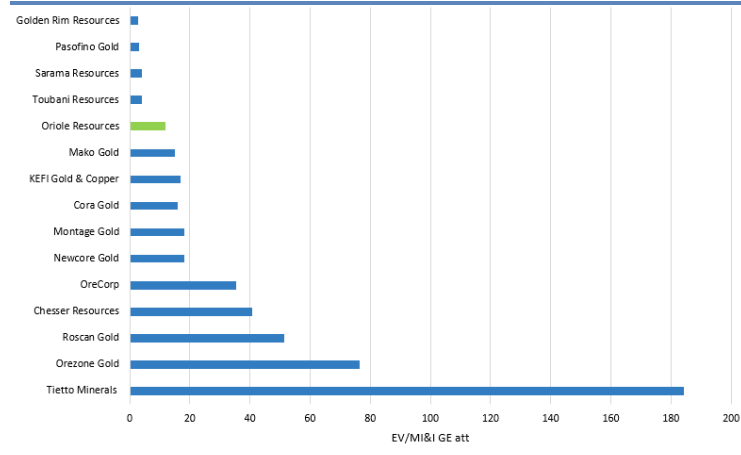
Analysing our selected sample of juniors with exploration projects across West Africa, (Cote D'Ivoire, Burkina Faso, Mali, Senegal, Ghana, Cameroon, Liberia, Guinea) alongside Ethiopia and Tanzania, EV/MII multiples (Measured, Indicated and Inferred Resources using attributable ounces) average around \$34/oz on a mean basis and \$17/oz on a median basis, and present a vast disparity between Tietto at \$184/oz and Sarama, Pasofino and Golden Rim Resources between \$3-4/oz. Tietto is able to hold such a comparatively high valuation as it nears production, with a DFS suggesting the potential to produce an average of 200koz pa at an AISC of \$804/oz whilst being fully equity funded for mine building and holding minimal debt. Conversely, Sarama, Pasofino and Golden Rim Resources hold relatively low-grade resources (at or below 1.5g/t) in jurisdictions, particularly Burkina Faso, Liberia and Guinea, that fail to attract sustained investment. Cote D'Ivoire continues to attract investor attention owing to its mining-friendly administration.



Selected West African explorers/developers EVs, \$m



EV/MII Resources (Measured, Indicated and Inferred Attributable Gold Equivalent)



EV valuations are as of 31/01/23

Source: Bloomberg, Company, SP Angel

Our selected sample of West African explorers/developers suggests premium multiples are assigned to higher grade projects with expansion potential (\$41/oz for Chesser and \$36/oz for OreCorp). Roscan is able to sustain its higher multiple of \$52/oz owing to its position 25km from B2Gold’s 7moz Fekola Mine. Alternatively, premium multiples are also applied to large-scale, multi-million-ounce deposits where lower grades can be compensated for by size and economies of scale, despite less compatible jurisdictions. For example (\$77/oz for OreZone and \$188/oz for Tietto) with remaining projects currently trading in the \$3-18/oz range. With gold prices gaining steam again, we expect that somewhat depressed multiples may begin to see expansion as risk capital becomes more accessible and larger, producing assets look to M&A opportunities following a period of relatively muted activity.

Whilst comparatively quiet over the past 18 months, West African M&A activity continues to see corporate sector consolidation, with local operators in the region active in seizing attractive opportunities at conservative prices considering recent upwards momentum in the price of gold. Global players continue to establish themselves in the region, with B2Gold’s acquisition of early-stage exploration Oklo Resources at an EV/MI&I multiple of \$87/oz and a 128% premium to market price (Apr.22) and Shandong Gold acquiring Cardinal Resources at a 333% premium in the Cote D’Ivoire (Dec.20).

Although increasing inflationary pressures have squeezed margins for producers across West Africa, we expect these to ease alongside diesel prices and rising gold prices, enabling increasingly net cash positive producers to eye expansion opportunities in the region. We would expect a potentially economic discovery to attract acquirer interest once the project is considered to be sufficiently de-risked. **While assets highlighted in the table are well advanced, they provide a helpful potential exit multiple range for a pre-production, late-stage development project in either the Feasibility Study or resource stage project that varies between \$17-87/oz (MII) based on our selected sample.**

## Selected M&amp;A deals in West Africa

M&A - Summary								
Acquirer		Shandong Gold	Fortuna Silver Mines	Chifeng Jilong Gold Mining	Perseus Mining	Asante Gold	B2Gold	Caledonia
Target		Cardinal Resources	Roxgold	Golden Star Resources	Orca Gold	Chirano	Oklo Resources	Bilboes
Location		CDI	Burkina Faso, CDI	Ghana	Sudan	Ghana	Mali	Zimbabwe
Date		Dec-20	Apr-21	Nov-21	Feb-22	Apr-22	May-22	Jul-22
Gold price	US\$/oz	1,868	1,777	1,792	1,889	1,898	1,845	1,703
TEV	US\$m	450	850	561	143	225	58	53
Status		FS	Production	Production	FS	Production	MRE	FS
Production	koz	287	125	150	175	155		168
PP	koz	5,035	1,797	1,087	2,854	898	0	1,964
PP	g/t	1.13	3.67	2.94	1.11	1.97	0.00	2.29
MI	koz	6,554	1,902	3,537	3,342	1,919	527	2,555
MI	g/t	1.12	3.58	3.76	1.30	1.51	1.88	2.26
MI&I	koz	7,017	2,393	11,724	4,053	2,254	668	3,132
MI&I	g/t	1.12	3.82	3.53	1.28	1.56	1.84	2.18
/ PP	US\$/oz	89	473	516	50	251	#DIV/0!	27
/ MI	US\$/oz	69	447	159	43	117	111	21
/ MI&I	US\$/oz	64	355	48	35	100	87	17
Premium to closing price		330%	42%	24%	63%	NA	128%	NA

**Selected exploration companies with assets in West Africa**

Company	Ticker	Location	Price	Cmcy	Mcap \$m	EV \$m	PP koz	MI koz	MI&I koz	MI&I g/t	MI&I GE att	EV/MI&I GE att	Stage
<b>Explorers/D evelopers</b>													
Tietto Minerals	TIE AU	Cote d'Ivoire	0.75	AUD	571	542	1,450	1,850	3,340	1.19	2,939	184	DFS
Orezone Gold	ORE CN	Burkina Faso	1.39	CAD	346	424	1,835	5,055	6,162	0.68	5,546	77	Production
Roscan Gold	ROS CN	Mali	0.20	CAD	56	56	-	1,018	1,217	1.16	1,095	51	MRE
Chesser Resources	CHZ AU	Senegal	0.10	AUD	40	31	-	625	860	1.82	774	41	Scope Study
OreCorp	ORR AU	Tanzania	0.43	AUD	120	98	2,600	2,714	3,291	3.49	2,765	36	DFS
Newcore Gold	NCAU CN	Ghana	0.26	CAD	27	23	-	-	1,415	0.62	1,273	18	PEA
Montage Gold	MAU CN	Cote D'Ivoire	0.71	CAD	85	80	3,420	4,270	4,941	0.61	4,447	18	DFS
Cora Gold	CORA LN	Mali	4.25	GBp	15	13	422	657	920	1.15	828	16	DFS
KEFI Gold & Copper	KEFI LN	Ethiopia, Saudi Arabia	0.78	GBp	38	37	1,051	3,207	5,008	Multiple	2,191	17	TK (DFS), HW (PEA), JQ (PEA)
Mako Gold	MKG AU	Cote D'Ivoire	0.04	AUD	14	12	-	-	868	1.20	781	15	MRE
Oriole Resources	ORR LN	Cameroon, Senegal	0.15	GBp	5	4	-	-	460	1.75	339	12	MRE
Toubani Resources	TRE CN	Mali	0.17	CAD	13	12	1,195	1,711	3,144	0.94	2,830	4	DFS
Sarama Resources	SWA CN	Burkina Faso	0.12	CAD	12	11	-	582	3,637	1.51	2,763	4	MRE
Pasofino Gold	VEIN CN	Liberia	0.39	CAD	15	11	2,760	3,312	3,900	1.35	3,518	3	DFS
Golden Rim Resources	GMR AU	Guinea, Burkina Faso	0.04	AUD	11	8	-	477	3,223	1.29	2,793	3	MRE
<i>Source: SP Angel, Company, Bloomberg (31/01/2023)</i>											<b>Median</b>	<b>17</b>	

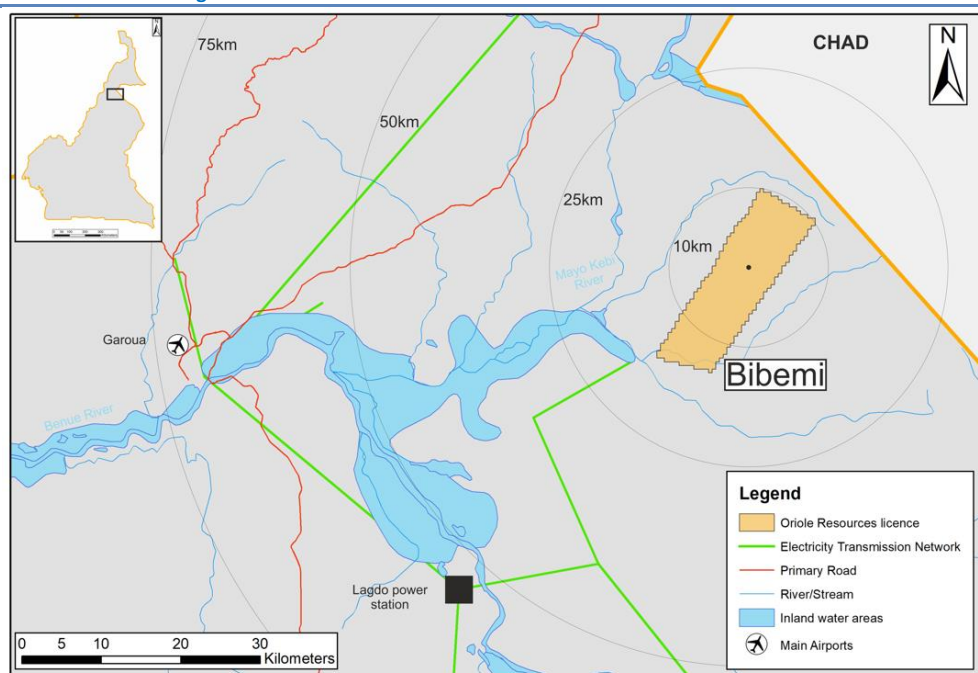
## Bibemi Licence Package, Northern Cameroon

**Bibemi Project (90%) – a flagship asset bearing a JORC-Inferred Mineral Resource Estimate of 305koz grading 2.19 g/t Au with substantial room for expansion to support a standalone operation**

### Location

Oriole’s 90%-owned Bibemi licence area spans 177km<sup>2</sup> in Northeast Cameroon overlying Neoproterozoic Pan-African greenstone gold belts, that are commonly associated with orogenic gold deposits. The area is 55km by vehicle from major Cameroonian town, and regional airport Garoua, and is accessed via both tarred roads and tracks. The licence package contains four contiguous prospects, Bakassi Zone 1, Bakassi Zone 2, Lawa East and Lawa West. The two Bakassi Zone areas lie directly to the north of the Lawa prospect boundaries. The area is relatively sparsely populated and presents itself as an attractive location for future standalone mine development. The footprint of Oriole’s Bibemi licence is closely correlated in size to the open pit Chirano gold project, a mining licence in Ghana recently bought by Asante Gold for \$225m. The licence package lies within a 55km radius of the major Lagdo hydropower station and is well connected to Cameroon’s primary road network.

### Bibemi and surrounding infrastructure



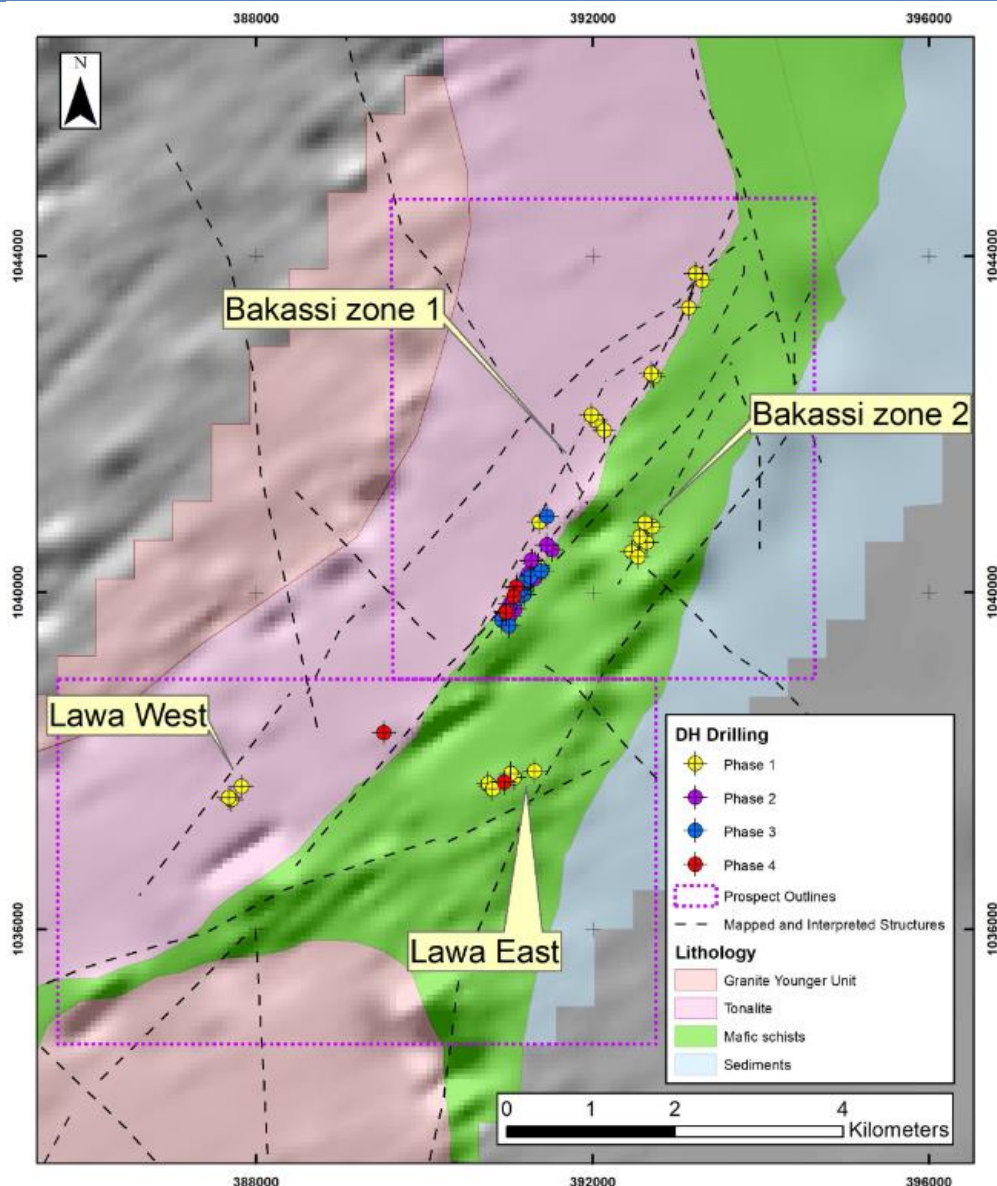
Source: Company

### Geology

Bibemi overlays a variety of prospective geological formations considering its positioning over the Neoproterozoic Pan-African greenstone belt. Mineralization is most associated with quartz and quartz-tourmaline mineralized veins developed in contact zones between western tonalite and eastern meta-volcanic schists. Exploration work at Bibemi’s Bakassi Zone 1 has highlighted a latticework of mineralization stemming from sub-vertical laminated quartz tourmaline veins alongside sulphide-rich sub-horizontal extensional quartz veins bearing broad alteration halos. Bibemi’s Lawa prospects to the south have displayed closely spaced quartz veins with both sheared and brecciated, sulphide-rich, fractures. Both the Bakassi and Lawa prospects seemingly lie across dominant north-

northeast trending shears, further reinforcing the team’s ambitions for a major mineralization extension across the entire Bibemi licence package.

**Bibemi Licence Package**



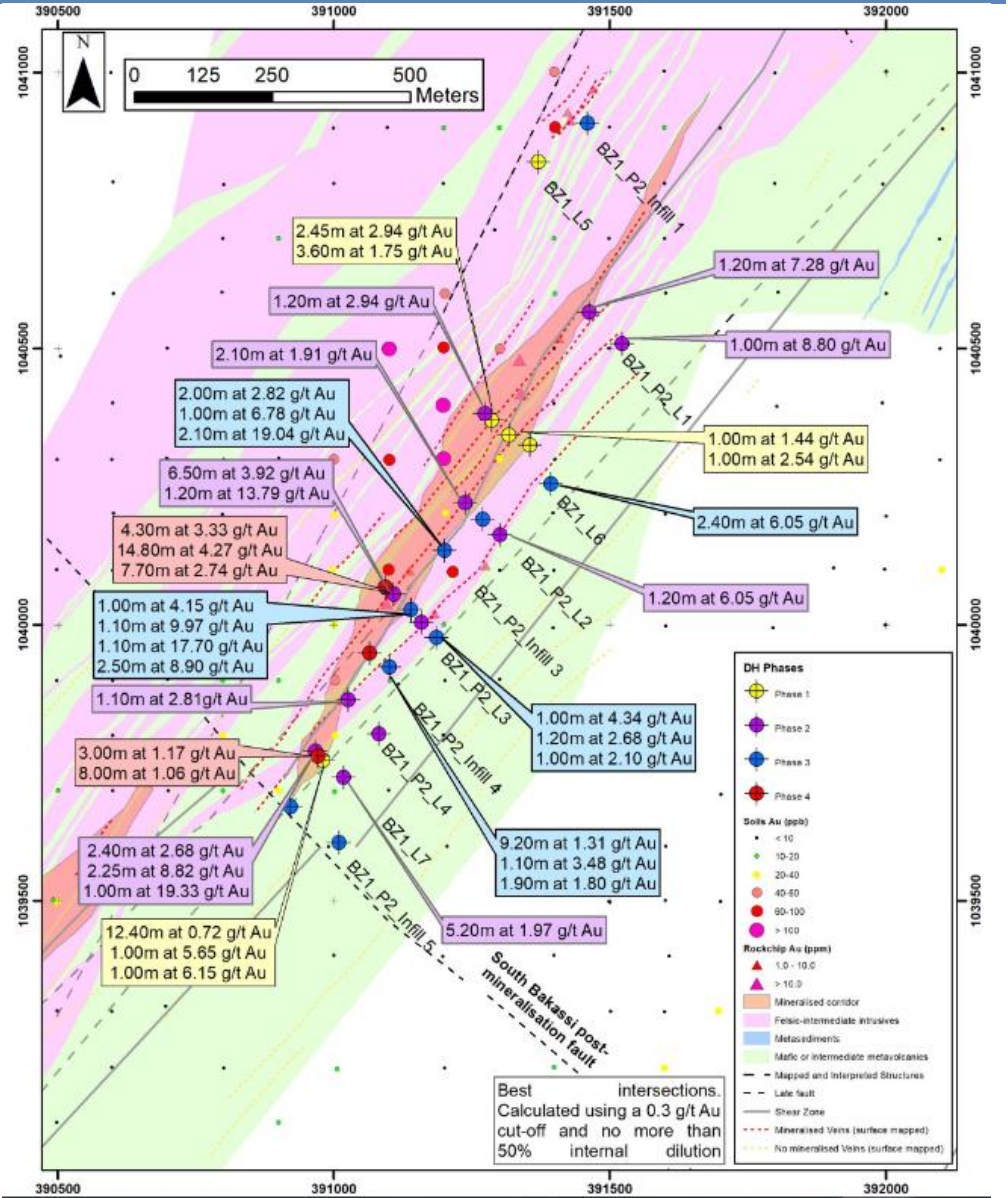
Source: Company

**Stage of the project**

Following the inception of its maiden drilling program at Bibemi in Q1-2021, Oriole has completed over 12,500m of trenching followed by 6,600m of diamond drilling across 54 holes and four prospects. From initially identifying an orogenic gold system across a strike length of 12km, the team has subsequently delivered a JORC Exploration Target at Bakassi Zone 1 in October of 2022 before upgrading the Target to a JORC-inferred Mineral Resource Estimate two months later. The 305koz Resource at 2.19g/t Au marks Cameroon’s first JORC recognised gold resource and is situated at Bakassi Zone 1, one of four prospects in Bibemi. Oriole’s management benefits from previous work executed by Reservoir Minerals across Bibemi from 2011-2014, which included trenching, rock chip and stream sediment sampling.



Best results from Phase 1 to 4 diamond drilling at Bakassi Zone 1



Source: Company

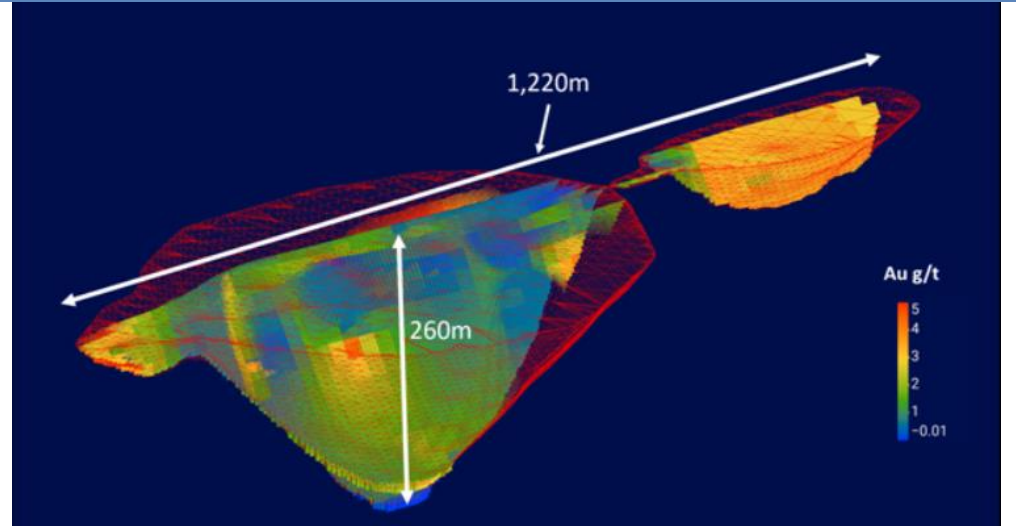
Bibemi’s most advanced area, Bakassi Zone 1, has aided in de-risking Oriole’s balance sheet over the past year through extensive ground-based exploration work followed by four stages of diamond drilling campaigns. Having released the Bakassi Zone 1 JORC Exploration Target on the 10th of October, the team moved quickly to upgrade the Bibemi project to a Maiden JORC-inferred Mineral Resource Estimate. It is the first Resource of its kind in Cameroon, and the asset now holds a ‘flagship’ status for the Company.

- Owing to the resource being constrained within a pit shell optimised for potential economic extraction, the upgrade from the initial Exploration Target results in a total Inferred tonnage Resource of 4.5mt at 2.19g/t using a cut-off grade of 0.3g/t and a top-cut of 20g/t, with total contained gold standing at 305,000oz. The entire resource has been defined using an \$1,800/oz gold price pit shell. The Company developed the Resource from 28 diamond holes over 3,840m.
- The Resource has been modelled over a total strike length of 1,220m and to a depth of 260m below surface. The resource remains open along strike to the northeast and at depth.



- When delivering the MRE, Oriole was also able to upgrade the residual JORC Exploration Target at Bakassi Zone 1 to between 1.5-2.2mt grading between 1.1-2.1g/t for between 53-148koz gold. Given the proximity of Bakassi Zone 1 to Bibemi's three other prospects; Bakassi Zone 2, Lawa West and Lawa East, the MRE is in its early stages and multiple rounds of upgrades and extensions remain a possibility. Owing to the fact the Target lies along strike of the Resource, management expects infill drilling will provide sufficient data to enable an additional upgrade of the Target to the Inferred Resource category.
- Bakassi Zone 1 has delivered consistently good results, highlighting the extent of orogenic gold mineralization across the licence. Highlights from the four phases of diamond drilling since Q1-2021 include:
  - 14.80m grading 4.27 g/t Au
  - 7.70m grading 2.74 g/t Au
  - 6.50m grading 3.92 g/t Au
  - 5.20m grading 1.97 g/t Au
  - 9.20m grading 1.31 g/t Au
- Visible gold has been identified at the remaining three prospects on the licence package, Bakassi Zone 2, Lawa East and Lawa West, with Oriole believing mineralization across the four zones relates to structural traps within a broadly NNE trending shear corridor.
- Phase 1 drilling has delivered visible gold mineralization at all three remaining Bibemi licences, with highlights including:
  - 0.8m at 27g/t Au (Lawa East)
  - 0.85m at 4.5g/t Au (Bakassi Zone 2)
  - 3m at 12.3g/t Au (Lawa East)
- Gold mineralisation at the Lawa prospects occurs within both closely spaced quartz veins and the host mafic schist rock. This provides an enticing incentive for the Oriole team to conduct further exploration work to identify further resources within the licence.

3D Isometric view of the Bakassi Zone 1 Resource blocks within U\$1,800/oz pit shell



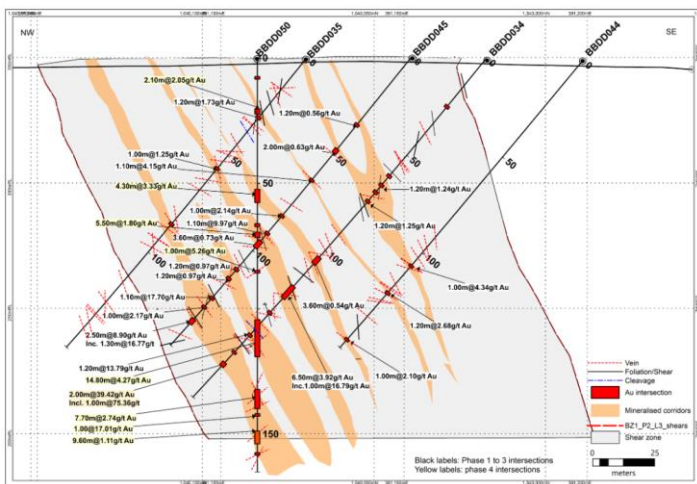
Source: Company

**Next steps**

Having delivered Cameroon’s first JORC gold Resource at Bakassi Zone 1, the Oriole team believes it can add additional inferred tonnage at the wider Bibemi licence. This would be enabled by both upgrading the residual 53-148koz Au at the Bakassi Zone 1 Exploration Target through infill and extensional drilling, alongside infill geophysics at the remaining three prospects on the licence package to assist with development of the sub-surface geological model there.

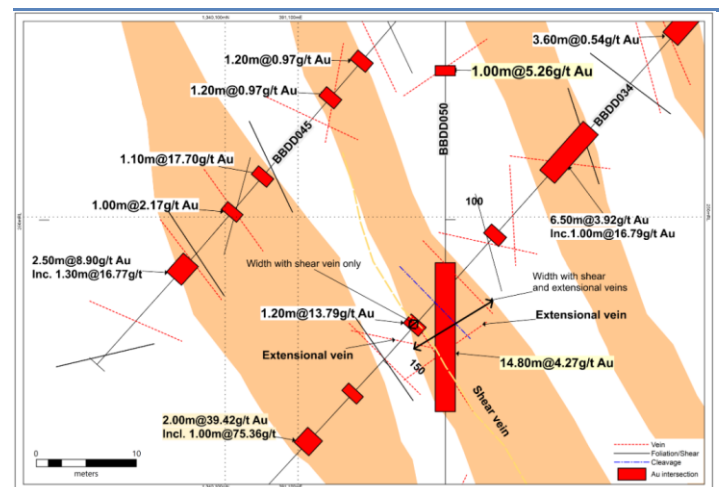
In H2-23, the Oriole team will complete an infill geophysics programme to better understand the inter-connectivity between the prospects and to help drive drill hole targeting at Bakassi Zone 2, Lawa West and Lawa East. The initial programmes had highlighted several promising open-ended ground magnetic anomalies within Lawa East and Lawa West to the border of Bakassi Zone 1. Oriole’s infill programme will provide a more complete understanding of the remaining three licences’ controlling structures, with the team confident that further work at the wider package will enable additional Resource expansion.

Interpretative cross section for fence line BZ1\_P2\_L3 with key mineralised intervals



Source: Company

Close up of cross section for fence line BZ1\_P2\_L3 showing drill holes BBDD045, BBDD050 and BBDD034



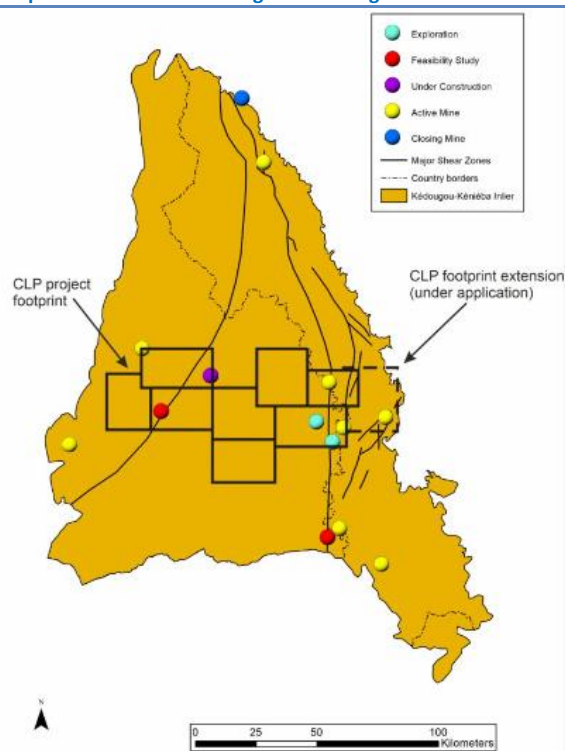
## Central Licence Package, Central Cameroon

### Central Licence Package (90%) – a district-scale collection of contiguous, early-stage exploration assets offering potential for major gold and lithium discoveries

#### Location

The CLP project covers an expansive 4,091km<sup>2</sup> over nine contiguous licences and is located within 30km of the regional capital of Ngaoundéré. The area benefits from its close vicinity to main roads, plentiful power and water facilities alongside easy access from the domestic airport in Ngaoundéré. Oriole owns 90% of the project which approximately a quarter of the size of the Kédougou-Kéniéba gold belt that extends as a Birimian inlier across Senegal and Mali. The 9-licence package is split between the Eastern CLP (Tenekou, Niambaram, Pokor, Ndom, Mbe) and Western CLP (Mana, Dogon and Sanga) licence groups, all prospective for gold, and the newly granted Gamboukou licence that is targeting lithium.

#### Central Licence Package Footprint in relation to Kédougou-Kenieba gold belt



Source: Company

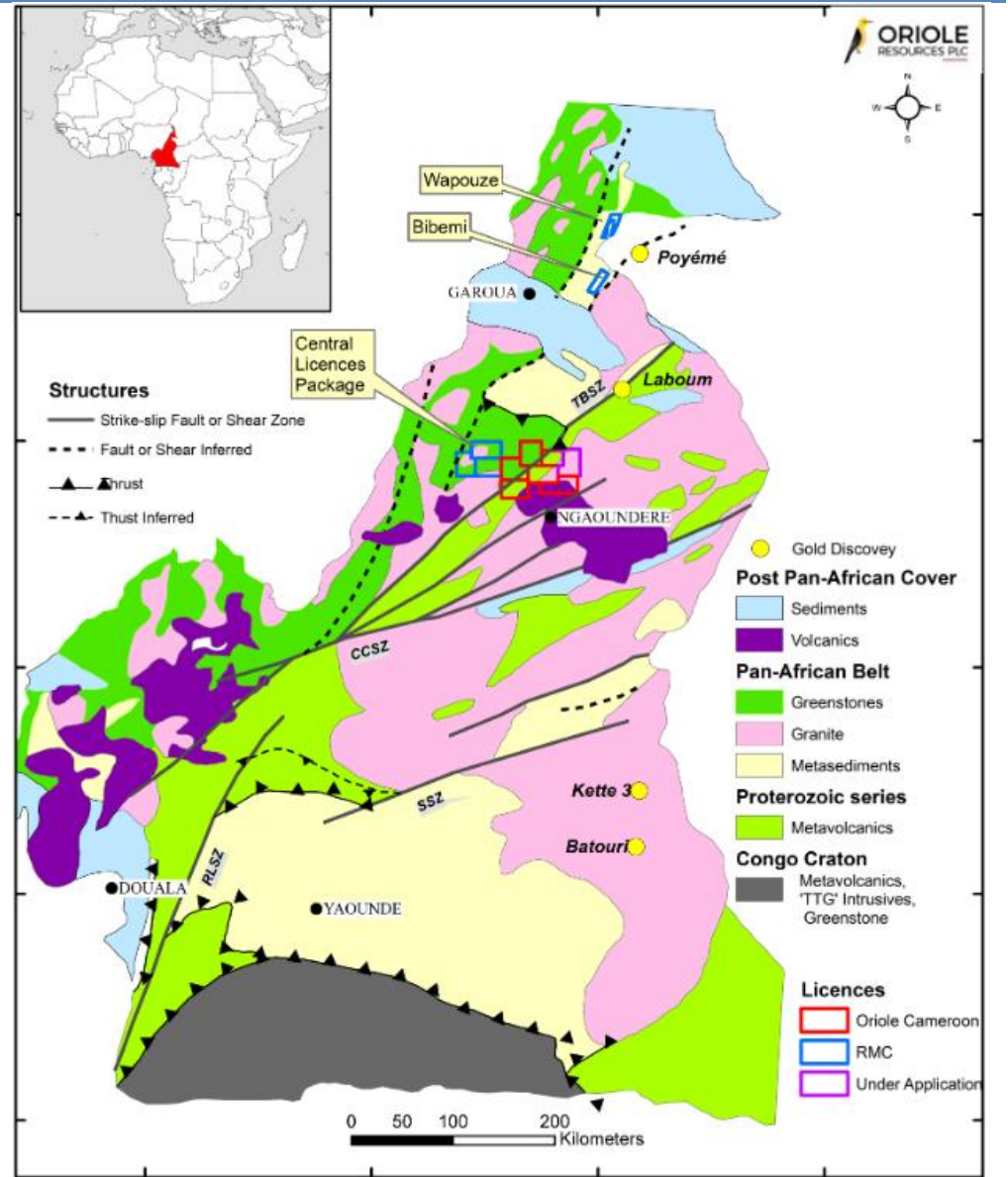
#### Geology

The substantial licence package bears attractive prospective geology across deep-seated crustal structures, opening the door for the discovery of a range of commodities, with orogenic-type gold formations a primary focus for the Company. The CLP lies across the Tcholliré-Banyo shear zone (TBSZ), a major splay from the major Central African Shear Zone. Initial stage remote sensing work has highlighted this off-shooting shear zone, which is associated with gold mineralisation throughout shears, thrusts, and faults, passes through all five of Oriole’s Eastern CLP licences, as well as the Sanga licence in the Western CLP.

Variably deformed orthogneiss units dominate the licence package, intercalated with amphibolite, quartzite and migmatite units and shearing and quartz vein development that is parallel to the TBSZ, with the veins typically forming at the contact zones between the granite and amphibolite. Locally these units are cut by younger, basaltic rocks. In the Eastern

CLP, further work has identified several areas of elevated gold in drainage basins typically identified in areas of structural complexity within the broader TBSZ corridor. The Western CLP lies across a north-northeast-south-southwest structural control with associations to Cenozoic bimodal volcanism overlying older Paleo-Proterozoic/Pan-African rocks.

**Regional Geology in relation to Oriole’s Cameroon licences**



Source: Company

**Stage of the project**

The Oriole team has been able to conduct ample ground-based, early-stage exploration work at the CLP whilst also delivering the Maiden JORC-MRE at Bibemi. To date, the Company has taken over 874 stream sediment samples and 8,941 soil samples at the Eastern CLP licences, with the Western part of the Package remaining unexplored. Large-scale soil sampling, alongside regolith and lithological mapping have also been conducted to date.

Regional-scale mapping and soil sampling at the 5 licences across the Eastern CLP block has identified multiple 2-3km long gold-in-soil anomalies at the Ndom, Pokor and Niambaram

licences, as well as a c.12.5km by 3km gold-mineralized corridor at the Mbe licence, developed from an echelon, structurally controlled trends.

Highlights from Eastern CLP soil sampling include:

- 838ppb Au (0.84g/t)
- 520ppb Au
- 463ppb Au.
- 111ppb Au

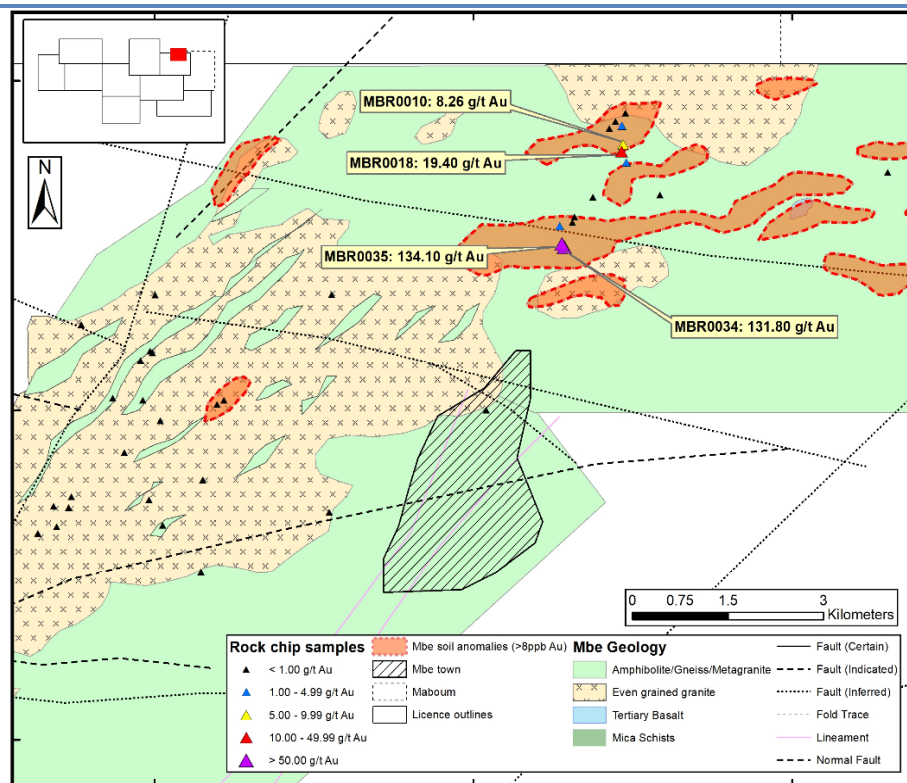
Soil sampling at Mbe had previously identified a c.12,5km long by 3km wide gold-mineralised corridor. Over Q4-2022, the team has undertaken regolith and lithological mapping over a 1:15,000 scale across c.48km<sup>2</sup>. Samples were taken c.60m apart, along an outcropping vein identified by Oriole in previous exploration efforts which had yielded best gold-in-soil anomalies equivalent to c.0.84g/t. Oriole believes the primary gold-in-soil anomalism is associated with a highly sheared and metamorphosed package of amphibolite, gneiss and metagranite units. Rock chip sampling targeted outcropping veins, with particular focus on quartz veins commonly associated with gold mineralisation in the region.

Selective rock chip sampling from 49 samples yielded highlights of:

- 134.1g/t
- 131.8g/t
- 19.44g/t
- 8.26g/t

The high-grade samples above were predominantly returned from sulphide-rich and locally brecciated quartz veins occurring either at the contact of or within pervasively altered and sulphide-rich granitic units. The high-grade mineralisation is understood to be contained within a 3km-long, N-NE trending corridor up to 700m wide. The main zone of mineralised veining is believed to be over 70m wide. Sampling at Mbe failed to extend the south-westerly extent of the anomaly over 493 soil samples.

Mapped geology (lithology) at Mbe licence, showing soil anomaly outlines and best results from rock-chip sampling



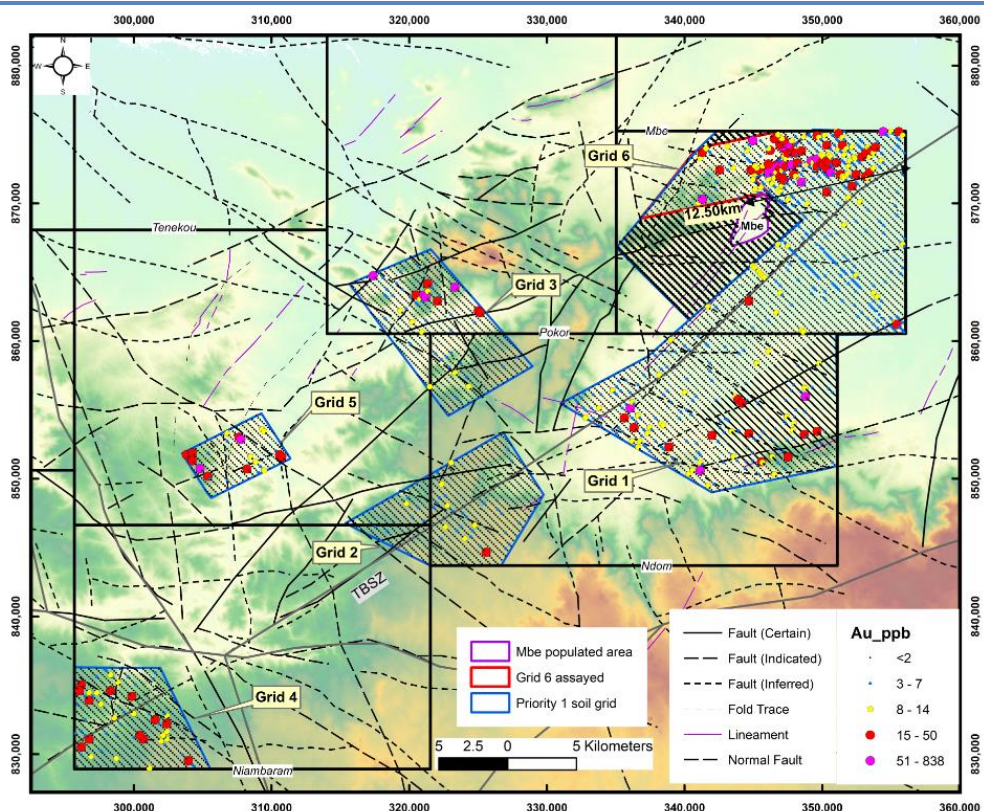
Source: Company

In addition to attractive gold mineralization at Mbe, the team has identified potential for lithium within the Ndom licence. Ndom lies directly to the southern border of Mbe, and the team is currently assessing anomalies developed from stream and soil multi-element data that suggests the potential for lithium-bearing pegmatites. Whilst Oriole is a junior gold explorer and gold remains the Company’s primary priority, the team’s recently acquired Gamboukou licence, immediately to the south and contiguous with Ndom, has also offered initial signs for lithium mineralization, which will be explored in more detail over the course of this year’s field season.

Whilst the Eastern CLP block is currently the most developed in the wider package, the Western CLP collection of licences remains highly prospective for orogenic gold mineralization as well as high-sulphidation gold mineralization, as a result of the more recent volcanism. Oriole is currently in discussion with the Mining Ministry of Cameroon over the three Western CLP licences and has requested a temporary suspension whilst they resolve land access issues in relation to hunting rights in the area.



Phase 1 Soil Sampling over Eastern CLP



Source: Company

Next steps

Following successful rock chip samples released in Q1-2023 at Mbe, Oriole will now begin a ground-based geophysics programme imminently at the Mbe anomaly to analyse deeper vein structures and advance the geological model of the project. High-grade rock chip samples across the 12.5km Mbe anomaly adds further confidence to the Company's excitement of the prospectivity of orogenic gold systems at the CLP

The Company is currently conducting ground-truthing activities to further explore prospective anomalous geochemical data gained from stream sampling in last year's programmes at the Ndom licence. These raised the potential for lithium-bearing pegmatites. This work is being combined with initial studies at Oriole's most recently secured licence at the CLP, Gamboukou. This will entail early-stage exploration work, primarily for gold and lithium, which we look forward to with anticipation.

A 10<sup>th</sup> licence, Maboum, is currently under application, raising the potential to add further square kilometers to the substantial land package. Maboum is contiguous with the Eastern CLP licences.

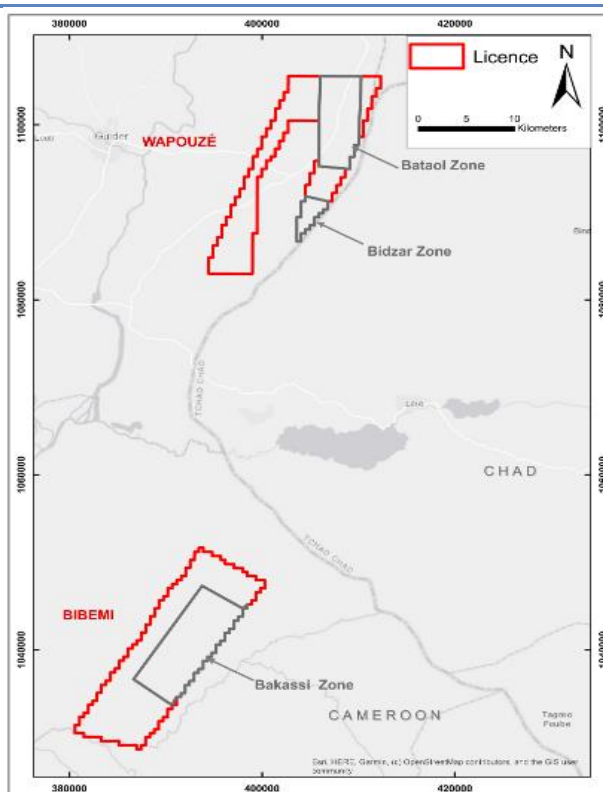
## Wapouzé, North-Eastern Cameroon

### Wapouzé Property (90%), NE Cameroon

#### Location

Wapouzé is a further prospective licence in Cameroon held by Oriole, located 20km north of the Company’s flagship Bibemi project. The licence contains over 136 km<sup>2</sup> of ground with distinct geological similarities to Bibemi. The package lies on the Chad border with two primary target zones; Bataol and Bidzar.

#### Relation of Wapouze to Bibemi Licence Package



Source: Company

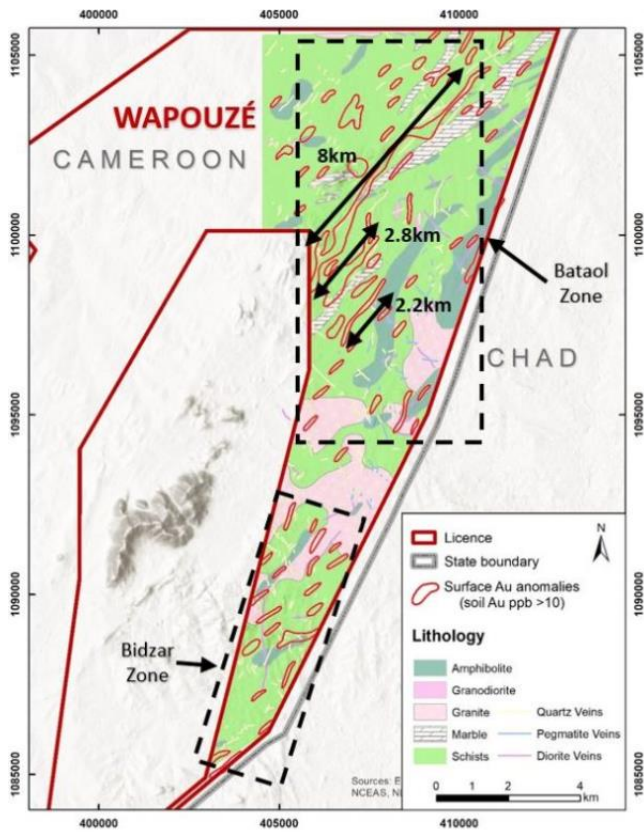
#### Geology

Wapouzé’s primary anomalous structure bears clear correlations to Bibemi’s geology, following the same orientation as the Company’s most developed licence. Similar to Bibemi, initial soil and stream sediment sampling has identified two primary zones of NE-trending mineralisation bearing quartz veins within sheared amphibolite, diorite, marble and granodiorite lithologies. Mineralisation at the Wapouzé licence is primarily hosted by quartz veinlets within sedimentary schists.

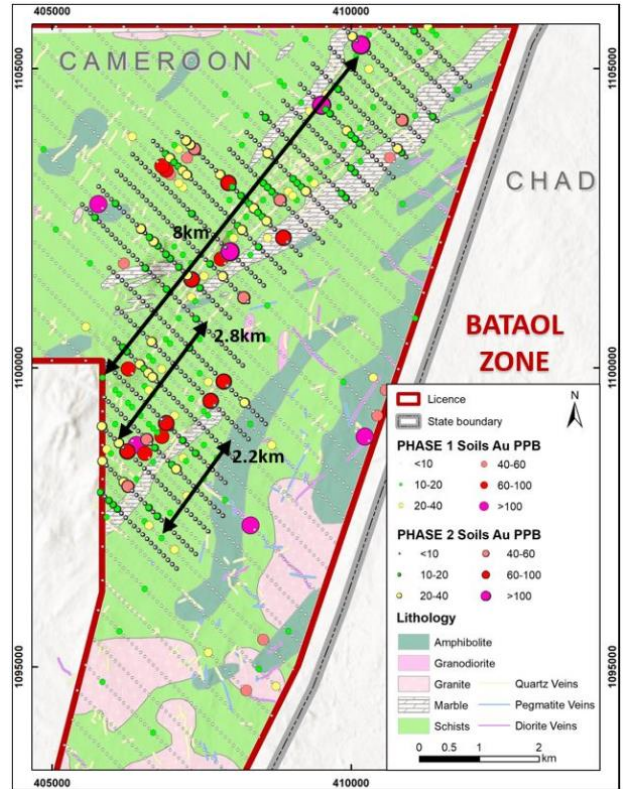
#### Stage of the project and next steps

Wapouzé’s previous owner, Reservoir Minerals, had highlighted a main anomalous gold structure throughout the property following 1.5km worth of stream sediment sampling over 269 samples. This led Oriole to pursue systematic soil sampling in Q1-2019, generating 2,119 samples. With anomalous highlights of 531ppb Au (0.52g/t Au), Oriole was able to identify two primary NE-trending mineralisation zones within the NE-trending package which bears distinct similarities to the Company’s Bibemi licence. These two zones are sizeable and open the door to future resource generation, with Bataol measuring 8km x 5km and Bidzar recording 2km x 4km.

Results from Phase 1 soil sampling at Wapouzé



Results from Phase 1 and Phase 2 soil sampling at Bataol Zone



Source: Company

Infill soil sampling at Bataol has identified robust, extensions of gold mineralisation, with continuous anomalies of higher-grade gold-in-soil anomalies suggesting relations to the neighbouring NE-trending silicified and sheared metasedimentary unit.

Subsequent ground-based exploration work, including a Q1-2021 150m pilot trenching programme and an infill soil sampling across 639 soil samples have provided the Company with a clearer understanding of the structural geology across the two zones.

Whilst the team prioritizes expansion efforts at Bibemi and drill-target identification at the CLP, data sets from work to date at Wapouzé are currently under review and management will look to further develop the prospective asset going forward.



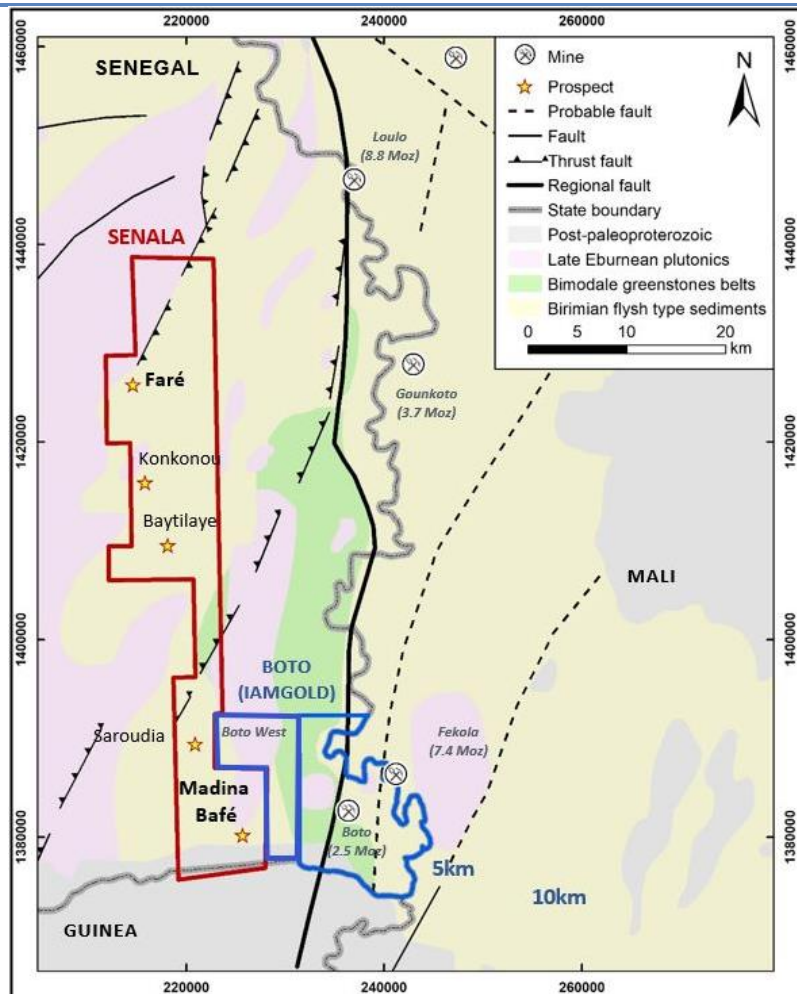
## Senala, (49%), South-Eastern Senegal

**An advanced exploration asset in Senegal boasting five geochemical targets, 90,000m worth of drilling, a maiden JORC-compliant Resource and an earn-in agreement with IAMGOLD**

### Location

The 472.5km<sup>2</sup> Senala licence is situated in eastern Senegal, located near the Mali border within the prolific gold district of the region in which senior producers are active in development and M&A. Alongside the eastern periphery of the licence package lies operating mines including B2Gold’s Fekola project, Barrick’s Loulo asset, Robex’s Nampala mine as well as Barrick’s giant Loulo-Goukoto licence. The region is also populated by active exploration efforts, with Barrick exploring the Bambadji licence, Chesser situated to the north of Senala’s boundary with the Bondala package and to the east with their Diamba Sud licence package. IAMGOLD is also developing the Boto licence, currently in the feasibility stage, on the south-eastern border of the Senala border. The Senala licence boasts two primary prospects, Faré, which hosts a JORC-compliant MRE, and Madina Bafé, which has, to date, confirmed the presence of a NE-striking mineralised zone extending along a strike of 1.2km and up to 30-45m wide.

### Senala Licence Package



Source: Company

### Geology

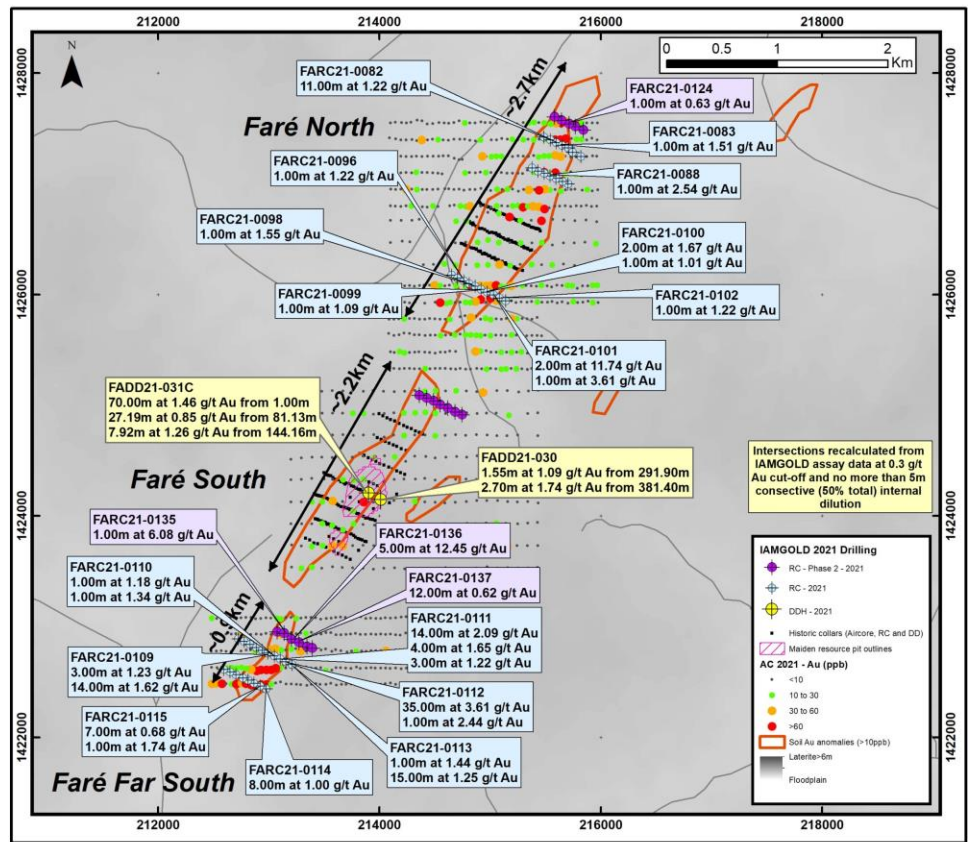
The Senala licence is a greenfield project, hosting an orogenic gold deposit and located within the Kédougou-Kenieba (KKI) gold district. The KKI hosts over 40Moz of gold endowment within Paleoproterozoic Birimian formations across varying diorite and volcano-sedimentary lithologies. The inlying Precambrian belt stretches from Western Mali through to eastern Senegal and is defined by its controlling gold mineralisation and is dominated by the Mako and Diale-Dalema domains. Senala is positioned parallel to the Senegal–Mali Shear-Zone, which boasts Barrick’s Loulo-Gouunkoto Gold Mine of 53mt at 4.64g/t Au for 7.9Moz of gold at the Measured and Indicated level. The regional geology consists primarily of tourmalinised sandstone and sheared greenstone units, with drilling and trenching at both of Senala’s primary prospects highlighting mineralisation across sheeted quartz-tourmaline veins and breccias and albite alterations.

### Stage of the Project

Senala can be divided into two primary prospects following additional exploration work from five original geochemical targets, namely Faré, Baytilaye, Konkonou, Saroudia, and Madina Bafé. Of these, the former and the latter have been progressed the most under IAMGOLD and Oriole’s stewardship.

The Faré prospect, hosts near-surface gold anomalies across three targets, Faré North, Faré South and Faré Far South, which extend across a combined 6km of strike length. The prospect’s primary mineralisation geometry is controlled by a N-NE trending shear, supported by a secondary NNW trending shear intersecting the main control. Faré South hosts a JORC-compliant Inferred Resource of 155koz at 1.26g/t Au, using a 0.3g/t cut off and a \$1,800/oz pit shell. Alongside this, Faré South holds a JORC-compliant Exploration Target of between 6.7-10mt grading 0.8-1g/t Au and 190-280koz. Both estimates remain open at depth and along strike, offering the potential for a standalone, operating mine at the prospect. The estimates were prepared using a total of 80 drill holes, 78 of which were drilled by Stratex. Highlighted drill results from Faré South’s diamond and RC campaigns to date include: 20m grading 31.13 g/t Au (FARC-00007), 59.60m grading 2.20 g/t Au, (FADD-00004) and 70.00m grading 1.46 g/t Au (FADD21-031C).

Faré drill plan showing the three main targets, and best results from IAMGOLD’s RC and diamond drilling campaigns,



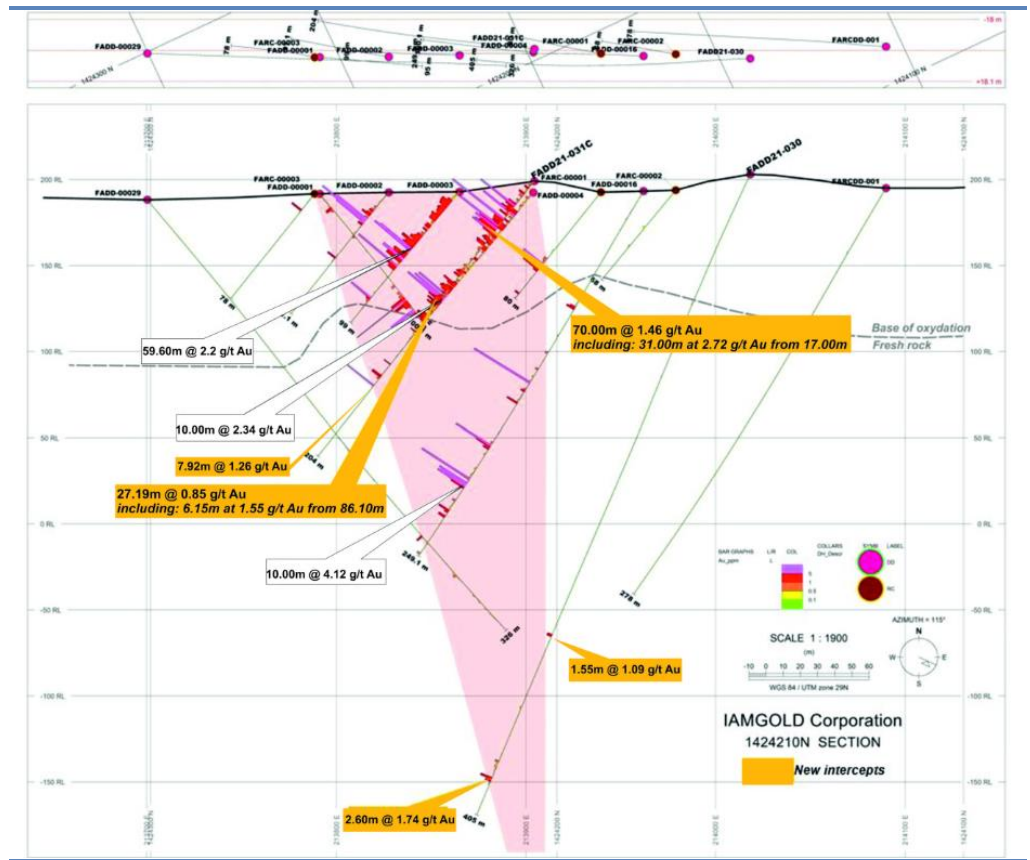
Source: Company

RC drilling by IAMGOLD has focused on testing the system along-strike at Faré North and Faré South, the latter having delivered exceptional results of up to 35m at 3.61g/t Au. Data for Faré North and Faré Far South is not included in the Resource or Exploration Target estimates and therefore provide additional resource potential upside at Faré.

Alongside the encouraging Faré prospect, the Senala licence also holds the Madina Bafé prospect, located c.50km to the Southeast of Faré. To date, both IAMGOLD and Oriole have completed a series of trenching, mapping, and sampling programmes at the prospect, identifying a 1.2km strike by up to 45m structural corridor hosting tourmaline-quartz veins and quartz-tourmaline breccias. Highlights from trenching campaigns include 4m at 1.4g/t Au, 6m at 0.86g/t Au and 1.2m at 1.14g/t Au. Previous drilling campaigns, including diamond and RC, yielded promising results, with intersections including 9.6m at 16g/t Au. The prospect has the potential to deliver mine-truckable feed to the neighbouring 2.5 Moz Boto gold development project, currently owned by IAMGOLD but in a sales process to Management Group.



Faré South cross section for fence line 4 showing best intersections to date



Source: Company, IAMGOLD

### Next Steps

In 2018, Oriole signed a Joint Venture agreement with IAMGOLD, who agreed to spend up to \$8m in return for a 70% holding of the Senala project. To date, IAMGOLD has earned a 51% beneficial interest in the project following a \$4m investment in exploration over the past four years. That beneficial interest is yet to be formalized by the Ministry of Mines in Senegal. On the 21<sup>st</sup> December, 2022, IAMGOLD announced its decision to sell its Senegalese, Malian and Guinean assets to Managem Group for \$282m, with the deal expected to complete in Q2/early Q3 2023. Whilst the move highlights the sustained appetite for large scale acquisitions of both producing and development assets in West Africa, management believes that the long-awaited resolution of IAMGOLD’s plan for its West African assets will ultimately be beneficial now that operatorship will pass to a group looking to develop Boto and surrounding assets. We await additional updates from both parties but remain confident that Senala bears a valuable position within Oriole’s suite of prospective assets in the region.

## Legacy Assets

**A suite of legacy assets across Turkey offers Management the opportunity to access revenue streams and unlock value whilst further strengthening the balance sheet.**

### **Muratdere, Lodos, Turkey – 1.2% royalty fee on future mineral production**

The Muratdere property lies southeast of Istanbul and due west of Ankara, consisting of three licences across a copper-gold-granodiorite-porphyry system. The licence package has a JORC-compliant Inferred Resource of over 51mt, including 186kt Cu, 204koz Au, 3.9moz Ag, 6.3koz Mo and 17,000kg Re. The porphyry system bearing resource extends over 2km and remains open-ended to the east, west and at depth. Oriole/Stratex agreed an earn-in agreement with Lodos, a Turkish investment firm, with the Company retaining a 1.2% net smelter return royalty interest. Lodos is currently awaiting approval of the project's Environmental Impact Assessment, which is due imminently. The asset has clear room for expansion, with the current mine plan only covering c.30% of the total inferred tonnage at the resource. However, in June 2022, the Company reported that gross metal revenues are expected to be in excess of \$650m over the mine's 10-year life

### **Hasançelebi, Bati Toroşlar, Turkey – \$720,000 in potential payments upon start of construction**

Hasançelebi lies to the south of Ankara and bears a 7km identified strike of high-sulphidation gold mineralisation. Best intersects from several drilling campaigns assisted by Teck Resources include 15m at 1.35g/t Au, 13.8m at 0.93g/t Au and 6.9m at 0.98g/t. Copper mineralisation of up to 0.38% Cu over 20m has also been identified on site. Oriole has transferred the licences to Bati Toroşlar, who are funding up to \$1.38m worth of exploration at Hasançelebi and Doğala, 225km to the west. If a minimum JORC-compliant Indicated or Measured gold resource of 100,000oz is achieved and the Environment Impact Assessment passed, Oriole will receive \$500,000 from Bati Toroşlar. If mine construction is started at either licence, Oriole will receive an additional \$220,000 from Bati Toroşlar.

### **Thani Stratex Djibouti – 9.21% in epithermal vein discoveries in across three prospects in Djibouti**

Oriole has a 9.21% interest in the Pandora, Hesdaba and Assaleyta licences in Djibouti. Drilling has targeted low-sulphidation epithermal gold projects in the East African Rift Valley. The projects are currently being funded and managed by African Minerals Exploration & Development Fund III. To date, the fund has spent \$5m over two tranches of drilling programmes. Diamond drilling highlights include 17.37m grading 3.59 g/t Au and 10.75m grading 26.27 g/t Au at Assaleyta and Hesdaba respectively.

## Risks

### **Exploration risks**

Exploration is subject to a series of risks including accurate identification of prospective targets, collection of geochemical, geophysical, drilling and other data as well as its interpretation. No assurances are provided that exploration activities will result in an economic mineral reserve.

#### **Socio-economic risks**

Numerous areas operated by artisanal miners helps with tracing prospective targets; however, dealing with local communities may be associated with socio-economic and security risks which would require careful management during the exploration, development and ultimately production stages of Oriole projects.

#### **Regulatory & Permitting risks**

Changes to the current mining code as well as fiscal regulations may considerably alter potential project economics including but not limited to government interest in mining assets, royalties and taxes. Timely renewal of licences is required to continue with exploration work.

#### **Dilution risks**

Oriole Resources is an exploration Company with no sustainable source of revenues and earnings meaning future equity placements will remain a major source of funding for Oriole, potentially leading to stock dilution.

#### **Commodity prices risk**

Oriole Resources assets include gold exploration licences in West and Central Africa meaning Company valuation is heavily exposed to fluctuations in gold prices which drive relative value and acquisition multiples in the industry. Low prevailing market prices may deem future projects uneconomic.

## Board and senior management

### Board of Directors

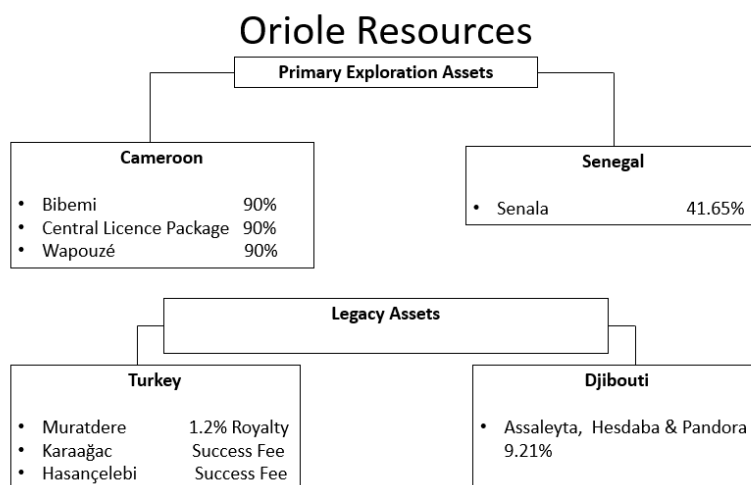
Eileen Carr	Independent Non-Executive Chairman	Eileen has a Master’s in Management and is a SLOAN fellow from London Business School over 30 years as a specialist in the natural resource sector, having served as Finance Director of Cluff Resources in 1993, CFO for Monterrico Metals. With Cluff, Eileen served a key role in the sales process of Cluff Gold to Ashanti whilst also supporting takeovers of Bacanora by Ganfeng and Monterrico to Zijin. Eileen has experience across China, Australia, South America and Russia in the Natural Resource sector and has served on boards on the LSE, AIM, ASX and TSX markets. Eileen is a Certified Chartered Accountant.
Tim Livesey	Executive Director and CEO	Tim is a seasoned professional in the mining sector with over three decades of experience across all stages of the mining ecosystem, overseeing all stages of exploration, advanced development and with experience in operational mining projects. Tim is well positioned to progress Oriole along the value curve. He has extensive experience with major mining companies, leading exploration and scoping studies for Anglo American and Barrick Gold at the Kabanga Nickel project in Tanzania, establishing and managing Barrick Gold’s Eurasian exploration, focussed on the Tethyan Belt. Tim subsequently served as both Project Director and CEO of Tethyan Copper, which owned the large-scale Reko Diq project in Pakistan with a JV formed between Antofagasta and Barrick Gold. Following his time at Barrick, Tim served as COO of TSX-listed Reservoir Minerals, where the team successfully completed a \$365m sale to Nevsun Resources
David Pelham	Non-Executive Director	David has over four decade’s worth of experience. A mineral geologist with extensive global exploration experience. He played key roles in the discovery and early evaluation of the +6 Moz Chirano Gold Mine in Ghana, as well as Hummingbird’s 4.2 Moz Dugbe gold deposit in Liberia. David has been closely involved with a number of major discoveries across the mineral spectrum, including gold, copper-cobalt, coal, iron ore, chrome and uranium. These new discoveries add up to over 100 Moz of gold equivalent.
Claire Bay	Executive Director, Exploration & Business Development	Claire is a Chartered Geologist with a Masters degree in geology and over 15 years’ worth of experience in exploration and development projects in Turkey and Africa. Claire joined Oriole’s former incarnation, Stratex, 15 years ago, where her focus was targeted to both technical and commercial operations of the Company’s Turkish and African assets. Claire’s role at Oriole now focuses on overseeing the Group’s exploration and business development activities.
Bob Smeeton	CFO	Bob is a Chartered Accountant having qualified with PWC in 1992. Bob has extensive experience of working for AIM-quoted companies, where he has been heavily involved in turnaround situations, fund raisings and acquisitions. Included in this was Universe Group Plc, whose market capitalisation Bob helped grow from £1.5m to £25m
<b>Senior Management</b>		
Abdoul Mbodji	In Country Exploration Manager, Cameroon	Abdoul has been operating in the mining and exploration geology sectors for over 10 years, having trained as a Junior Geologist at Terranga Gold’s Sabodala mine. Abdoul since joined Silvrex which was subsequently acquired by Stratex in 2012. Abdoul has overseen Senala as the Project Geologist as well as working on base metal projects in Mauritania.

Source: Company

## Corporate structure and shareholders

Oriole Resources is an AIM-listed exploration Company holding a number of exploration licenses in West Africa through a number of local subsidiaries alongside a series of legacy assets. The Company has 2,723m shares in issue as of February 2023 with in aggregate 188,888,888 warrants and 87,526,245 options currently in issue. The Company’s directors hold a combined 4.22% of the total issued share capital of the Company. No individual shareholder in the Company has a holding of over 3%.

Oriole Resources Corporate Structure



Source: Company

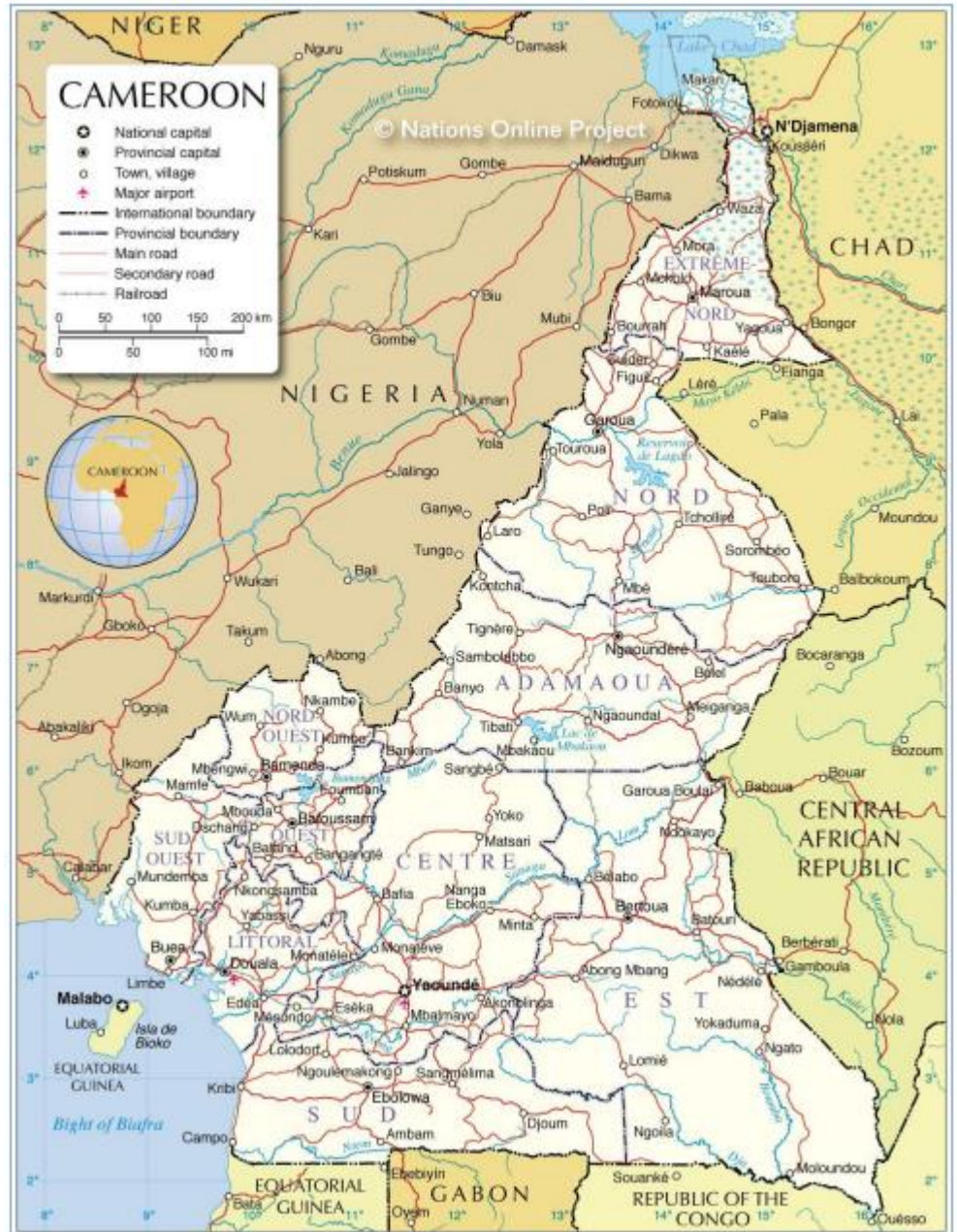
## History

The Company was founded in September 2018, when Tim Livesey, David Pelham, Bob Smeeton and Claire Bay transformed Stratex International, which listed in 2006 to target Turkish gold exploration assets, into Oriole Resources, a company whose primary focus would turn to Cameroon. Stratex, alongside a strategic alliance with Teck Cominco, is credited with a number of discoveries in Turkey, including over 2.2moz Au, 7moz Ag and 186koz Cu. Today, Oriole has an \$8m option agreement with IAMGOLD, has delivered Cameroon’s first JORC Inferred, 305koz MRE at Bibemi and has developed a substantial exploration footprint across greenfield territory in Cameroon.



## Location profile – Cameroon

### Cameroon



Source: Cameroonian Ministry of Mines

The Republic of Cameroon bears both English and French as its official language, alongside 24 African language groups. The Country, referred to as the Hinge of Africa, is situated in Central Africa, and borders Nigeria, Equatorial Guinea, Chad, Central African Republic, and the Republic of Congo. Cameroon has over 400km of coastline and a climate that varies from tropical, to hot to semiarid across a range of terrains. It has a population of 29m people and a GDP per Capita ranking in the top half of African nations at \$3,600. The Country has a B- credit rating from Standard & Poors, equivalent to Ghana and Nigeria. 70% of the country are practicing Christians whilst 24.4% practice Islam. Cameroon has an urbanised population of 60%, with a predicted annual rate of urbanisation change forecast at 3.43%.



**The national political system** is described as a presidential republic, whose capital is Yaoundé. Cameroon gained its independence in 1960 from a French-administered UN trusteeship, with an updated constitution as of January 1996. The Country's legal system has a combined structure, dominated by English common law and French civil law. The Country's Chief of State, President Paul Biya, has been in power since 1982, highlighting the jurisdiction's long-term stability. Presidential elections are held every 7 years, with Biya winning the 2018 vote with a 71% majority. October 2025 is scheduled for the Country's next election.

**Cameroon's economy** is dominated by commodity exports, with shipments of oil and gas, timber, aluminium and agriculture dominating the country's trade balance. Cameroon exports **c.\$7bn worth of goods per year**, with oil representing close to 40% of this. The Country has a net debt of \$16bn, versus Senegal's \$29bn. Major infrastructure investment is currently underway across Cameroon, in a boost to its mining and natural resource sector appeal. For example, Phase 2 construction is currently underway at the **Kribi Deep Seaport** and the **Lom Pangar hydropower dam** is expected to deliver its first megawatts this in Q1-2023.

**Security risks** remain elevated in Cameroon, with recent years seeing increased instances of violence along the border of Chad, Nigeria and the Central African Republic. Insecurity in the CAR is the primary threat to Cameroon, although to date this remains well contained in border regions. The North West and South West regions of Cameroon have seen increases in clashes with armed groups since 2019. However, the relative stability of Cameroon's centralised government is a major advantage to operating in the Country.

In terms of **corruption**, Cameroon is a typical Sub Sahara African nation according to the Corruption Perceptions Index (2021) which places it in the lower half, globally (#144 of 180). However, Cameroon is ranked on the more positive side of the Central African region sample and has jumped 2 places globally since 2020 as government officials move to weed out corruption within local governments, judiciary and, in particular, the police force

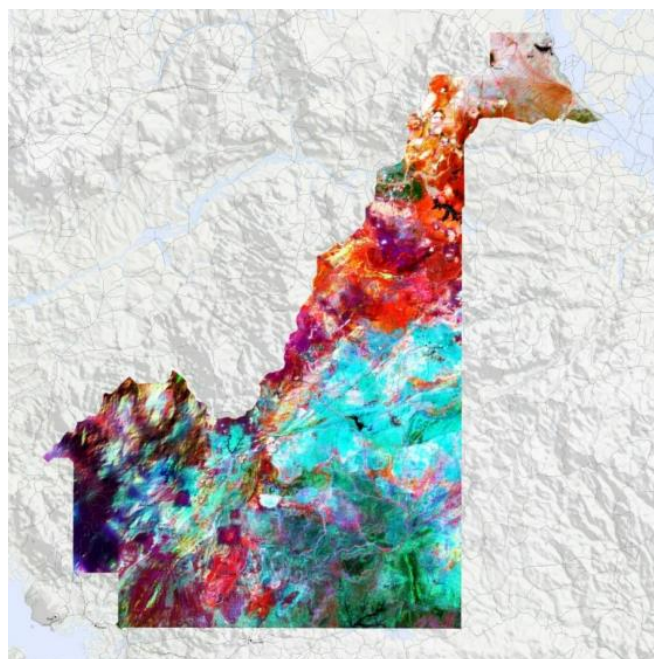
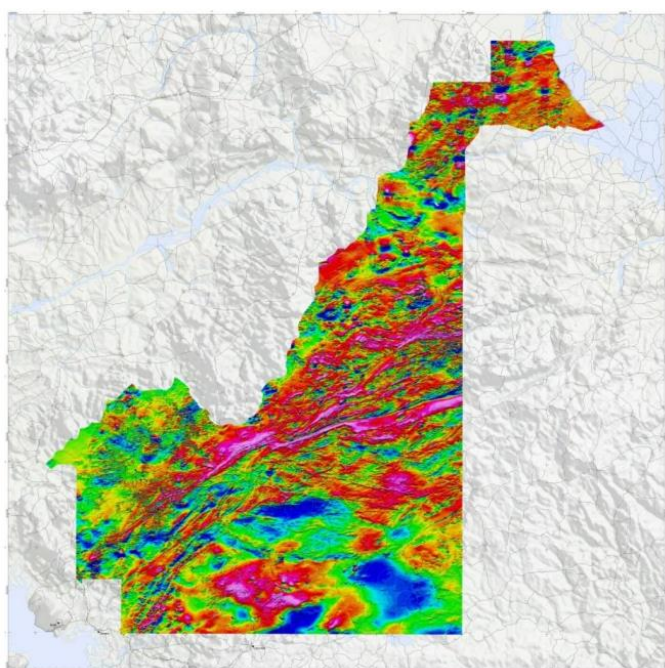
When analysing Cameroon as a region of **investment attractiveness**, the Fraser Institute rates it 2<sup>nd</sup> highest in Central Africa in its 2020 survey, also ranking #144 globally and coming in second to Nigeria in the region. However, as regards the mining sector, the Country remains very much in its infancy, with Oriole well-positioned to optimize its first-mover advantage. The Country has minimal projects in development, however an acceleration in the expansion of mining projects is underway. Phoenix Mining and Geocam are currently looking to move the Nkamouna-Mada nickel-cobalt project into construction this year, with production aimed for 2024. Given the nascent state of Cameroon's mining industry, top-down risks to operations remain worthy of consideration. For example, Sundance Resources is currently in dispute with the Cameroonian Ministry of Mines and Republic of Congo through international arbitration over the Mbalam-Nabeba project on the two countries' shared border.

In recent years Cameroon has seen a radical overhaul in its approach to mining exploration and exploitation policy, introducing a new **Mining Code**, an updated **Cadastre** alongside the Mining Sector Capacity Building Project (**PRECASEM**). Cameroon's mining industry remains in its nascent stages, dominated by artisanal operations. The Country has only had an internationally-appropriate Mining Code since 2016, a move in which the Administration removed a 2001 code, which facilitated widespread corruption, highlighting Cameroon's renewed appetite for cultivating a more advanced and attractive mining regime for international actors and investors. Further signs of the administration's appetite for

expanding the mining sector can be seen in the World Bank-backed PRECASEM programme. The programme, funded by the World Bank, enabled over \$40m worth of funding to enter the Cameroonian mining sector and saw over 300 new mining sites identified, using a range of geological mapping, geochemical sampling, and airborne geophysical surveying. The primary goal of the PRECASEM project was to develop datasets of Cameroon's subsoil and enable the improvement of the efficiency, effectiveness, and transparency of the in-country mining sector. In addition to this, Cameroon, supported by the World Bank, has a modernised online licencing Cadastre and is in the process of enacting reforms using hired consultancy Drake & Bart as the administration continues to improve transparency and facilitate investment in the exploration sector.

Phase 1 Airborne Geophysics From PRECASEM initiative

Radiometric Ternary Map



Source: PRECASEM, World Bank

Although the recent decade has seen a major transition for Cameroon's mining sector, the country remains heavily underexplored, with the majority of Cameroon lacking significant forms of geophysical and geochemical data. This presents a major opportunity for Oriole, who have acquired substantial land packages across the Country. Furthermore, considering the less well-developed state of Cameroon's mining infrastructure and protocol, the speed at which Oriole delivered the inferred MRE at Bibemi and accompanying data at the Company's alternative licence packages is not only a testament to the team's ability to leverage funding and expertise to produce results, but it also highlights the Country as an attractive and low-cost jurisdiction for junior explorers.

Under the latest Mining Code (2016) Cameroon **charges 5% royalty rate** on gold and other precious metals. The government has right to a **10% non-dilutable free carried interest** in

**the project. Corporate tax is 30% and licence tenure offers an initial term of 3 years, followed by renewals required every 2 years.**

## Senegal

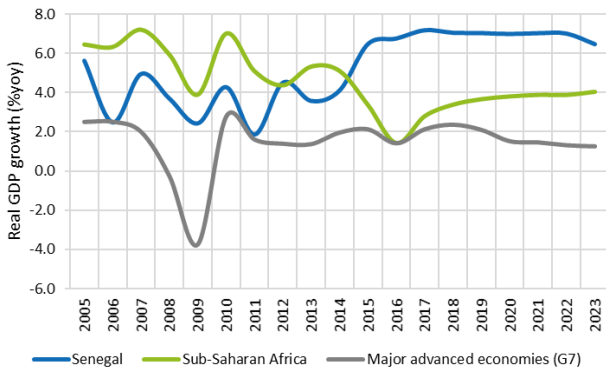
Senegal is a francophone nation with a population of 17m, boasting a reputation as one of the most stable countries in Africa with just three major political transitions (each of them peaceful) after securing independence from France 1960. Senegal's gross national income per capita stood at \$3,444 as of 2021, towards the higher quartile of West African nations. Additionally, Senegal has traditionally had one of the most unrestricted and diverse media settings in the region ranking #73 of 180 countries in the 2022 World Press Freedom Index, above average for SSA nations. The nation is #170 among 188 countries on the UN Human Development Index measuring healthcare, literacy and standard of living among surveyed nations.

The **Political system** in Senegal is a semi-presidential democratic republic. Macky Sall, a former PM, long standing member of the Senegalese Democratic Party and President of National Assembly, has served as chief of state since 2012, winning the most recent presidential election by 58% in 2019. The presidential mandate has been reduced from seven to five years and is limited to two terms following a constitutional referendum in 2016. The National Assembly is the unicameral legislature of Senegal with 165 members serving five-year terms. The current Senegalese National Assembly, formed following elections in 2022, represents a minority government headed by Sall's Alliance for the Republic with Pape Diop's support.

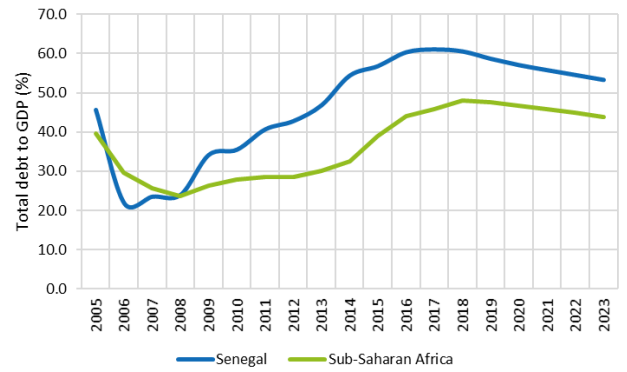
The **economy** is focused on agriculture, fisheries, tourism, mining and construction with key export sectors including phosphate mining, fertilizer production, agricultural products and commercial fishing (around 75% of the workforce is engaged in agriculture or fishing). The country relies heavily on donor assistance, remittances and FDIs. Senegal's economy is growing rapidly, with an industrial production growth rate of over 10% (23<sup>rd</sup> globally), and a modest unemployment rate of 3.72%. In addition to this, the World Bank is forecasting 8% growth for Senegal in 2023, increasing to 10.5% growth in 2024. The government launched the Emerging Senegal Plan (ESP) in 2014 which saw GDP growth rates accelerating a couple of percentage points to >6%pa. One of the focus points of the ESP is upgrades to energy infrastructure with local power costs reported to be among the highest in the world with most of 864MW of installed power capacity run on imported heavy fuel oil. As of 2019, with over 70% of Senegal's total population enjoyed a varying degree of electricity access, over 900km of railways across country and over 6,000km of paved roadways, pointing to the well-developed state of the nation's infrastructure.



Real GDP changes including IMF forecasts



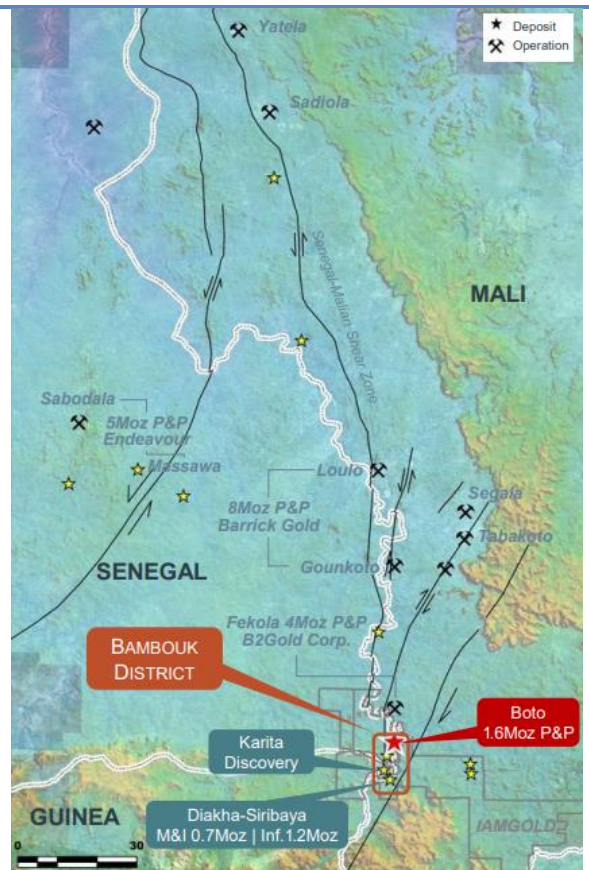
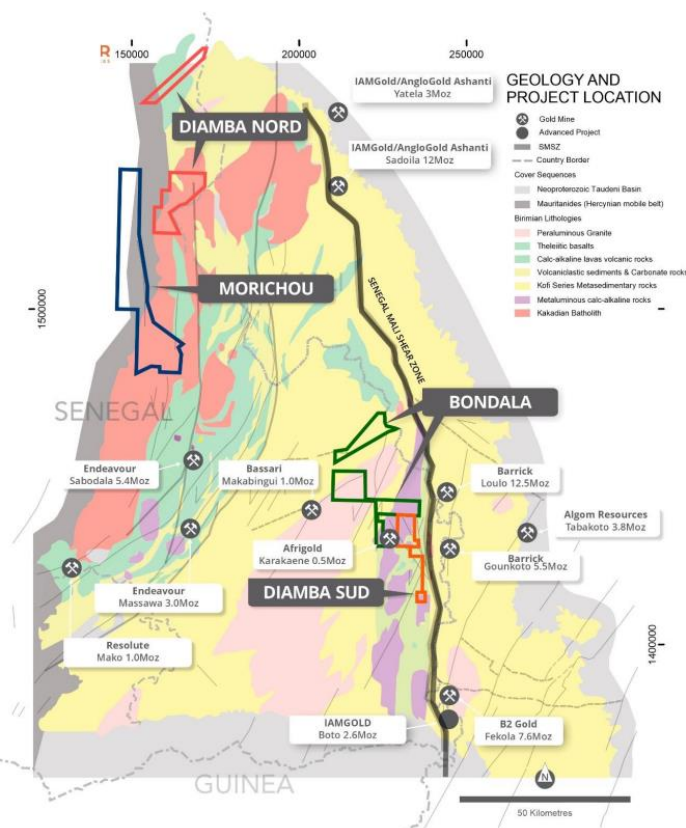
Total debt to GDP for Senegal and SSA for comparison



Source: IMF, Bloomberg

Regarding the state of the nation’s mineral exploration and mining industry, the sector is a core part of Senegal’s export industry and a major contributor to national revenue and its foreign exchange strength. Gold plays a central part of that, with the Sabodala-Massawa project producing over 2.6moz Au since 2009 under Endeavour’s leadership. Resolute’s Mako mine has mineral reserves of over 826koz and a plant capacity of over 2.1Mtpa. Gold prospecting is concentrated in eastern Senegal within the prolific Birimian age “Kenieba Window” geological complex stretching along the border with Mali and a host to more than 50moz of gold discovered in the past 20 years. Until recently the mining sector in Senegal has been represented by phosphate operations making it one of the top sources of the fertilizer feedstock. The current President Sall being a geological engineer and having previously managed Ministry of Mines, Energy and Hydraulics, is looking to develop the iron ore, gold and oil industries. The industry currently accounts for just 5% of the nation’s GDP.

Major gold mines/projects in the region



Source: IAMGOLD, Chesser Resources

The Mining Code of Senegal enjoyed a radical overhaul in November 2016, with a supplementing decree added in March 2017 which in combination represent primary mining industry legislation. The modernized Mining Code is applied to new licenses' application whereas previous laws will remain applicable to existing permits until their expiry. **Under the reformed terms, the state is entitled to 10% free carried interest with an option to take it to 25% for additional consideration (unchanged from 2003). Mining royalties were increased to 5% but this slides back to 3.5% if metals are refined locally in country. Senegal's corporation tax increased to 30% and licences enjoy an initial term of 4 years, with renewals required every 3 years.**

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