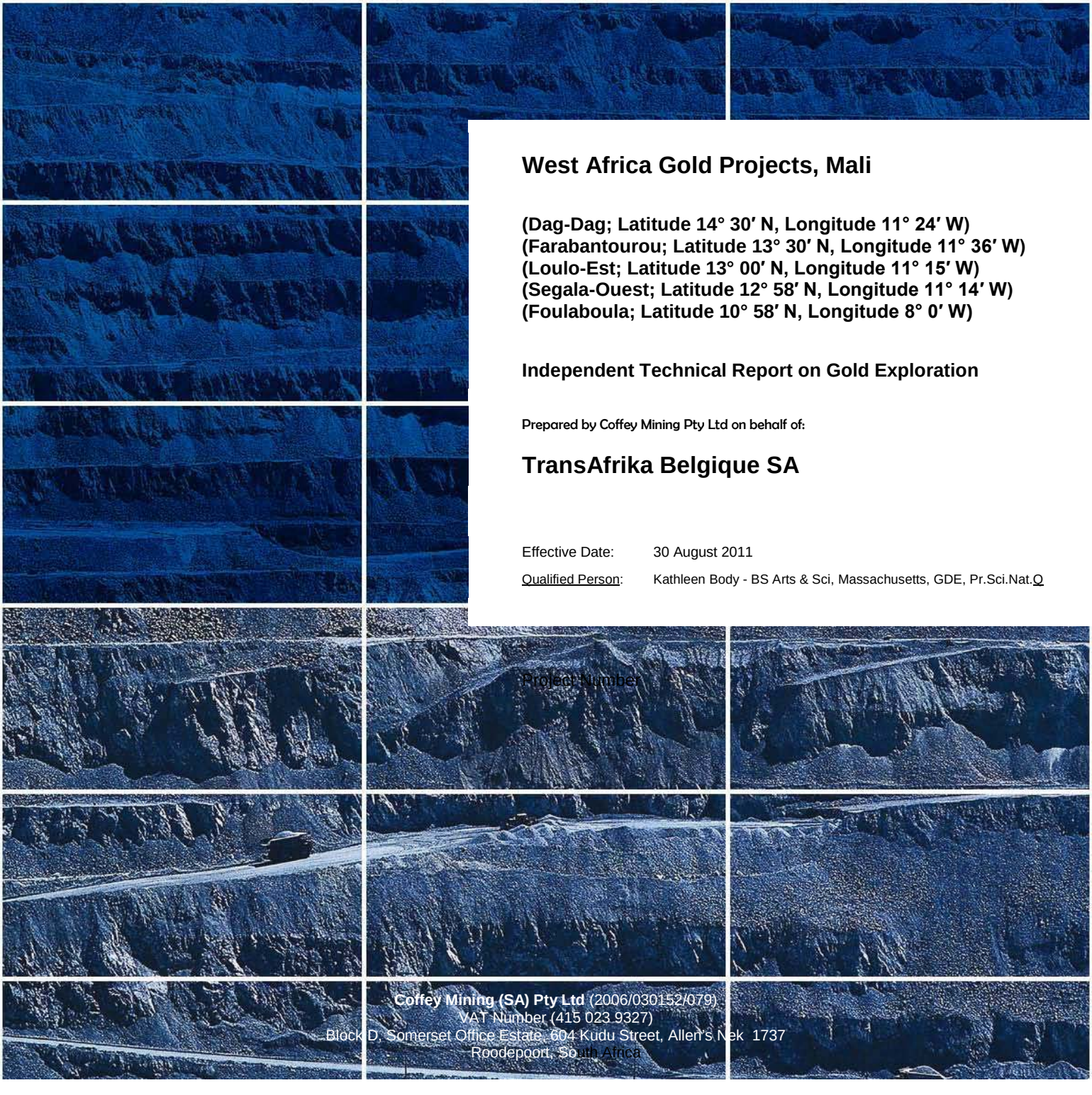
coffey mining
SPECIALISTS FROM BOARDROOM TO MINE FACE



West Africa Gold Projects, Mali

(Dag-Dag; Latitude 14° 30′ N, Longitude 11° 24′ W)
(Farabantourou; Latitude 13° 30′ N, Longitude 11° 36′ W)
(Loulo-Est; Latitude 13° 00′ N, Longitude 11° 15′ W)
(Segala-Ouest; Latitude 12° 58′ N, Longitude 11° 14′ W)
(Foulaboula; Latitude 10° 58′ N, Longitude 8° 0′ W)

Independent Technical Report on Gold Exploration

Prepared by Coffey Mining Pty Ltd on behalf of:

TransAfrika Belgique SA

Effective Date: 30 August 2011

Qualified Person: Kathleen Body - BS Arts & Sci, Massachusetts, GDE, Pr.Sci.Nat.Q

Project Number:

Coffey Mining (SA) Pty Ltd (2006/030152/079)
VAT Number (415 023 9327)
Block D, Somerset Office Estate, 604 Kudu Street, Allen's Nek 1737
Roodepoort, South Africa

Author(s):

Kathleen Body	Principal - Resources	(Pr.Sci.Nat, BS Arts & Sci, Massachusetts, GDE)

Date: 30 August 2011

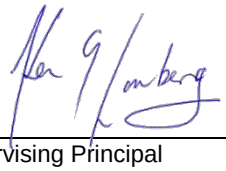
Project Number: JKIV03

Copies:

TransAfrika Belgique SA	(2)
Coffey Mining – Notting Hill	(1)

Document Review and Sign Off

Primary Author
Kathleen Body



Supervising Principal
Reviewed By Ken Lomberg

The Reader is advised to read the Reliance on Other Experts (Section 3) of this document

Date and Signature Page

This report titled Independent Technical Report on West African Gold Projects in Mali with an effective date of 30 August 2011 was prepared on behalf of TransAfrika Belgique SA by Kathleen Body signed:

_____

Kathleen Body . (Pr.Sci.Nat, BS Arts & Sci, Massachusetts, GDE)
Principal - Resources
Dated at Johannesburg, this 30 August 2011

Table of Contents

List of Tables

List of Figures

List of Appendices

1 SUMMARY

Coffey Mining (SA) (Pty) Ltd (Coffey Mining) was requested by TransAfrika Belgique SA (TransAfrika) to compile an Independent Technical Report (ITR) on their Mali gold exploration permits held by TransAfrika Mali SA, in which TransAfrika has a 74% holding. The remaining shares are held equally by the joint venture partners Rock SARL and International Business Holdings Limited (IBHL). The shares of TransAfrika are being sold by TransAfrika Resources Cyprus Ltd, the parent company to Desert Gold Ventures Inc., a Toronto Stock Exchange (TSX) – Venture listed company.

Under the terms of the agreement, Desert Gold will acquire all of the issued and outstanding shares of TransAfrika in exchange for an aggregate of 20,000,000 common shares of Desert Gold. In addition, Desert Gold will be required to issue a further 12,000,000 common shares, in the event that within a two year period Desert Gold publishes a NI 43-101 compliant resource estimation disclosing that the mineral properties located in Rwanda, Mali and Senegal contain an additional 1,000,000 ounces of gold.

This report is compliant with the requirements of the Canadian National Instrument 43-101 (NI43-101), its Companion Policy (National Instrument 43-101CP) and Reporting Template (National Instrument 43-101F1).

TransAfrika, through its subsidiaries and joint venture agreements, has acquired five exploration permits (EP) focused on gold in Mali (Figure 1_1). These properties consist of four in western Mali and one in southern Mali. Except for the Foulaboula property in southern Mali and the Dag-Dag property near Kayes, the permits are located near the Falémé River which forms the boundary between Mali and is an established gold mining area. Foulaboula is located 175km south of Bamako, the capital of Mali.

All of these properties can be classed as early stage exploration projects. For the Farabantourou, Loulo-Est and Segala-Ouest properties in western Mali a large amount of exploration data of variable quality exists in the public domain and has been acquired by TransAfrika. For Dag-Dag there is some public domain data in the form of regional soil sampling and some exploration work has been undertaken on the property. Foulaboula have only regional geology data.

All of the permits in Mali are held by TransAfrika Mali SA, a joint venture company incorporated in Mali and held 74% by TransAfrika and 13% by each of the two joint venture partners, and are governed by a standard Convention Minière detailing the fiscal and legal regime under which the exploration permits are granted. The permits are valid for a period of three years and are renewable twice for 3 years each time with the permit area reducing by 50% on each renewal. Minimum expenditures are between USD315,680 and USD347,860 per annum for each of the properties. Reports on exploration activities and budgets for the next year are expected to be submitted at the end of each year of exploration.

Electricity is supplied by generators in many of the villages. Mines are responsible for their own electricity and water supplies. Telephone service outside of major centres is limited to mobile phone coverage in the larger villages along the main routes.

The properties were undeveloped at the time TransAfrika Mali acquired the permits. There are or have been artisanal workings on Farabantourou, Loulo-Est and Segala-Ouest. There are no other commercial activities on the properties except for the Kayes regional airport on the Dag-Dag permit.

1.1 Accessibility, Physiography and Climate

The country around the Farabantourou, Loulo-Est and Segala-Ouest permit areas is generally flat and low lying (100-175m amsl) with low hills and numerous shallow ephemeral streams. The Falémé River (Senegal-Mali border) is to the south and west, of the Malian Permits, while the Tambaoura escarpment a 100m high wall of Taoudeni Basin sediments marks the eastern boundary of the Kéniéba Inlier. Vegetation is typical of open savannah grassland and scrubland. There is lush vegetation during the rainy season. Several villages are found in the area. Aside from the gold mines, the main economic activity is livestock farming and some artisanal workings for gold.

The Dag-Dag permit lies immediately north of regional town of Kayes. The area is low lying, 50-70m amsl, generally flat semi desert with low ridges of quartzite and crossed by shallow ephemeral streams. Outside of the commercial centre of Kayes, the local economies are primarily dependent on stock farming. Farabantourou lies halfway between Kayes and Kéniéba, immediately west of the Kayes – Kéniéba road and 40km south of Sadiola Mine. Loulo-Est and Segala-Ouest lies 10km northwest of Kéniéba and adjacent to the Segala Mine.

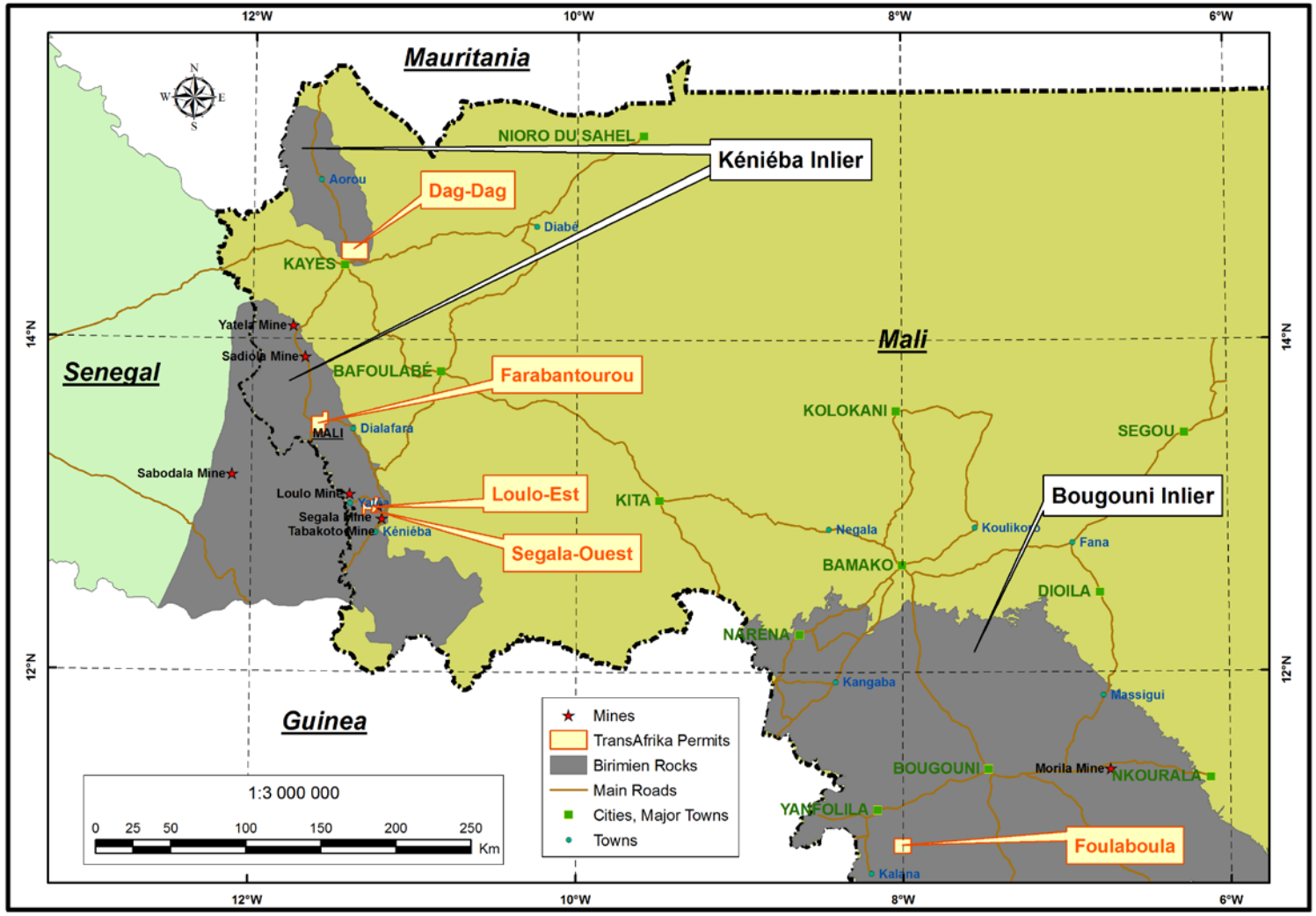
The climate of these parts of Mali varies from tropical to subtropical to arid becoming drier in the north towards the Sahara. It is hot (25 and 43°C) and dry in February - June; slightly cooler, rainy and humid June – November; and, relatively cool (18 and 35°C)and dry November - February.

Field operations are interrupted by the rainy season on the Foulaboula, Loulo-Est and Segala-Ouest permit areas due to flooding. The bigger part of Farabantourou is accessible during the rainy season.

Local infrastructure is non-existent to basic. The nearest paved road in Mali is the Trans-Sahel Highway which runs from Dakar, Senegal to N'Djamena, Chad via Kayes and Bamako in Mali. The main road from Kayes to Kéniéba, which currently supplies the mines, is a poorly maintained dirt road which becomes impassable during much of the rainy season. Construction on a paved road from Bamako to Senegal via Kéniéba is underway and will provide easy access to the general area.

Figure 1_1

Map Showing Geographic Location of the Exploration Permits



A small regional airport is located approximately 5km from Kayes and there is an uncontrolled airstrip at Kéniéba suitable for small airplanes. There is a railhead at Kayes for the railroad that parallels the Trans-Sahelian highway to Bamako. All fuel and supplies are transported by truck to the local mines, villages and project sites.

Health services are generally poor. The nearest basic services are available in Kayes and Kéniéba but the mines would be responsible for their own health services. Clinic El Shaddai offers medical services to the mine on contract.

1.2 Property History

The permit areas of Dag-Dag, Farabantourou, Loulo-Est and Segala-Ouest have had exploration work undertaken in the last ten years by one or more companies. In each case the permits have been allowed to lapse when the permit holders did not get the results required and did not succeed in raising the funds to continue exploration. The Foulaboula permit has had no known exploration undertaken for commercial mineral deposits.

The Dag-Dag Permit area has had regional mapping and soil sampling undertaken by the Malian government. Orezone Resources Inc. undertook trenching and RC drilling in the area. The trench data is available but is not coordinated. Details on the exploration work are not available in the public domain. No artisanal workings were seen on the permit area.

At Farabantourou, Hyundai Mali S.A. (Hyundai) investigated the permit for gold as part of the Sepola Project from 1998 until 2004. Some of the data from the 1998-2001 drilling programs is available in the public domain. Mineralization was discovered in six areas; Barani, Barani East, Keniegoulou, Dambamba, Kousilli and Linnguekoto. In 2001 Resource Services Group undertook a mineral resource estimate over the current Farabantourou area plus additional ground then held by Hyundai Mali SA. Inferred Resources (JORC compliant) were estimated on several prospects. Subsequent evaluation by TransAfrika has revealed that RC drilling was not the appropriate drilling method for this area, resulting in poor quality data and poor interpretation of the geology and no reliance can be placed on the Hyundai work except that it reveals the presence of mineralization, the nature and geometry of which is not yet understood.

Artisanal workings on Farabantourou are restricted to small scale workings at Dambamba and Linnguekoto. Small diggings were observed along a quartz vein along the road.

Exploration activities have been undertaken over parts of the Loulo-Est and the parts of the Segala-Ouest permits. The Segala Mine and Segala-Ouest permit has been subjected to artisanal workings, both historical and current. In 1995 BHP Minerals carried out soil sampling surveys over parts of Segala-Ouest and identified two soil anomalies. No further work was undertaken. In 1996 through early 1998, two junior companies Alpine Exploration Corporation and Resources Robex Inc. (Vancouver SE and Montreal SE listed companies) completed geological mapping, soil sampling and an induced polarization survey over part of the Segala-Ouest permit area known as the Baroya concession, essentially the current Segala-Ouest permit area. Two of 10 planned diamond drillholes were completed. The program was not continued following the rainy season because of poor financial markets for gold companies and negative results from the initial two drillholes. Great Quest Metals Ltd

had rights to the Segala-Ouest permit area via an option Agreement from January 2001 (MacKay LLP, 2005) through 2007 and carried out exploration activities on part of Segala-Ouest in 2003. Except for three drillholes drilled, little work appears to have been carried out on the permit.

1.3 Regional Geology

The area along the Senegal – Mali border is underlain by Proterozoic and Archaean rocks of the West Africa craton. The craton stabilized at approximately 1800Ma and is composed of the Reguibat shield to the north and the Leo or Man shield to the south. The Leo shield is built on an Archaean nucleus with the Baoul-Mossi (Proterozoic) domain forming the majority of the shield in the southwest, (Kusnir, 1999). This Baoul-Mossi domain contains inliers of Archaean rocks and Birimian formations which were deposited between 2300Ma and 1900Ma i.e. Lower to Middle Proterozoic. These Birimian rocks were affected by the Eburnean orogeny which was most active from 2000Ma to 1800Ma, peaking at approximately 1950Ma. One of these inliers is the Kéniéba Inlier, a north-northwest trending granite-greenstone belt which occurs along the Mali-Senegal border. The Kéniéba Inlier is comprised of Birimian volcano-sedimentary formations regionally metamorphosed to greenschist facies and intruded by large granitoid-gneiss complexes, (Hyde, 2001).

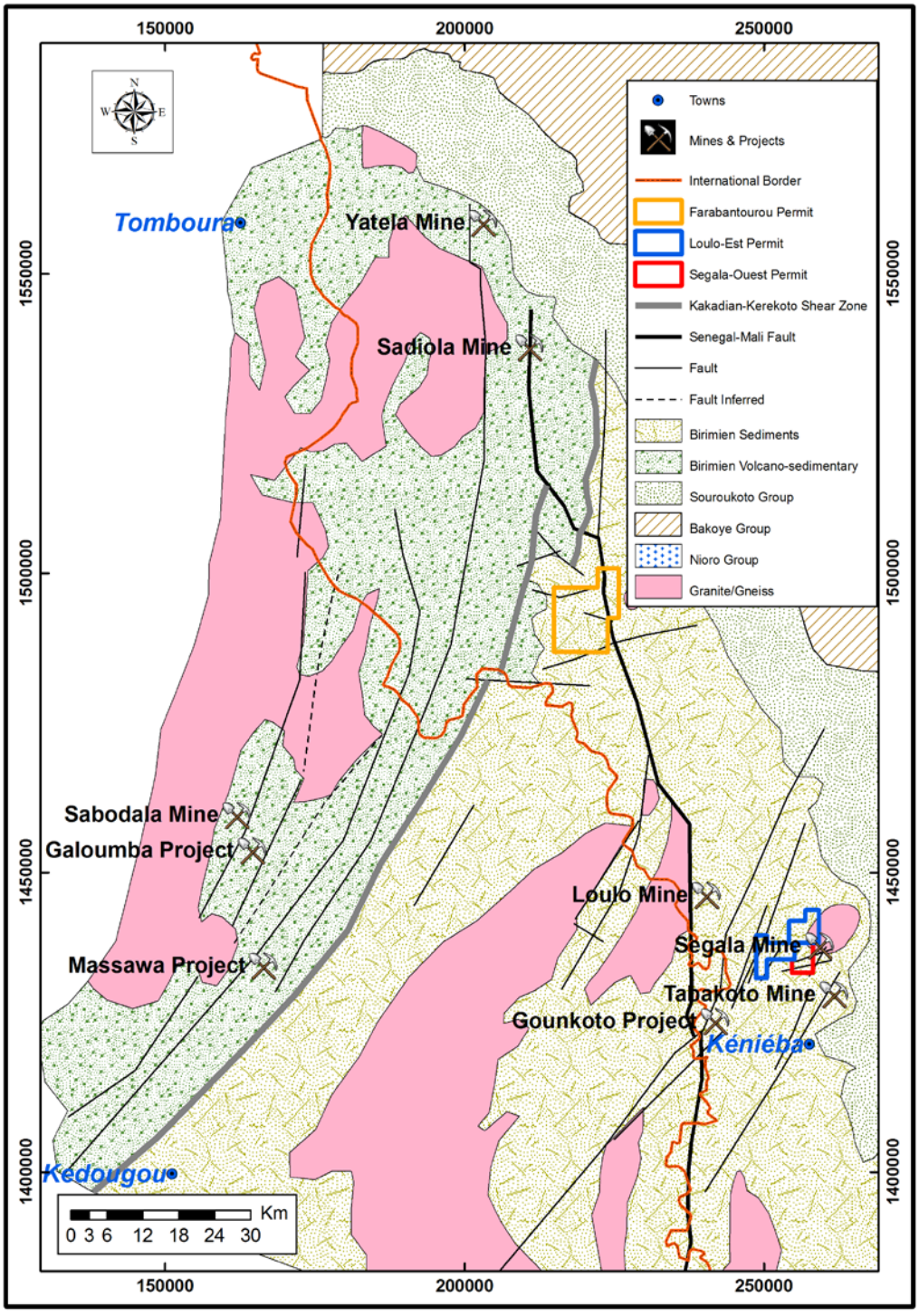
In the Kéniéba region most of the gold deposits are contained within secondary structures and splay faults associated with the Senegal-Mali Fault Zone (SMFZ) (Figure 1.3_1), often where southeast to northwest sutures cross-cut the dominant structural fabric. These zones are defined by hydrothermally introduced mineralization within dilation zones, the gold deposits are hosted by penetrative shears and not by a single structural feature. This implies that the whole region has great potential for the discovery of additional gold deposits (Hyde, 2001). Several well known gold deposits occur within the Kéniéba Inlier, these include Sadiola, Yatela, Tabakoto and Segala, Loulo and Sabodala. The locations of these deposits are shown in Figure 1.3_1.

1.4 Local Geology

The local geology is poorly known away from immediate mine areas. Thick laterite and soil cover make outcrop scarce. Ground and geophysical mapping have only been carried out on a regional scale by national and international government agencies with the regional geological maps produced being based largely on interpretation of these surveys. The description of the geology given here is largely based on these interpretations.

The Dag-Dag permit area is covered largely by biotite granites and has a small unit of Birimian greywacke/arkose outcropping in the western part of the permit. The Birimian in outcrop is predominantly meta-greywackes and forms low ridges with lateritic alteration on surface. The granite seen in outcrop does not show any signs of alteration.

Figure 1.3_1
Regional geology and Operating Mines in the Kéniéba Inlier



The preliminary geological interpretation of the Farabantourou permit has been made from the regional aeromagnetic data and regional geological maps. A north- northwest – south-southeast striking structural discontinuity forms the contact between the western sedimentary units and the eastern volcano-sedimentary units. This feature has been interpreted to be part of the SMFZ (Section 7). North-northeast striking dykes cut through the parts of the permit. The siliciclastic sediments to the west of the SMFZ, consisting of sandstones, siltstones and conglomerates belong to the Keniebandi Formation. Coarse grained sandstones and Conglomerates have a significant volcanic content and appear to grade into rhyolitic pyroclastics and lavas to the west.

Outcrop in the Loulo-Est and Segala-Ouest permit areas is poor due to thick cover by alluvium and laterite. A preliminary geological interpretation has been made by TransAfrika from the regional aeromagnetic data and regional geological maps. Clastic sediments and felsic to mafic volcanics intruded by monzo-granite in the northeast underlie the area. Structure has been interpreted to include an early phase of deformation related to the intrusion of the monzo-granite batholith and a later phase of deformation resulting from north-northeast – south-southwest directed crustal shortening. In the north eastern part of Segala-Ouest, felsic dykes, intrusive into the sediments were exposed in trenches.

Siliciclastic sediments interlayered with felsic volcanics largely underlie the Foulaboula permit area. Mafic volcanics in the north and granites in the west and south underlie a smaller portion of the permit. Northwest – southeast striking structural discontinuities mark the contacts between the different formations. Younger faults strike NE-SW over the permit.

1.5 Deposit types and Mineralization

The principal exploration targets and focus of exploration to date is what can most appropriately be termed orogenic gold. Common sub-types of this class of deposit include lode, quartz vein and shear zone-related gold, with the underlying similarity being that they all formed as part of an orogenic (collision) tectonic event. Other terms used to describe the deposits are mesothermal deposits because the primary deposits are formed at intermediate depths in the earth's crust; shear zone hosted deposits as the larger ones are often in or immediately adjacent to large fault zones (i.e. Ashanti); Greenstone gold which is hosted in volcano-sedimentary terranes with granitic intrusions, metamorphosed to greenschist facies metamorphic grade and usually Archean in age. The term greenstone gold is applied to the Proterozoic aged Birimian, 2.0Ma to 1.8Ma in West Africa due to the similarities in the geology to the Archean gold deposits.

Orogenic gold deposits account for up to 18 percent of the world's gold production, ranking them second only to production from placer deposits. Deposits range in size from 0.5t to 1,600t of contained gold with most, typically, containing between 1t and 20t Au. Gold grades are highly variable, but values of >1g/t Au for open-pit and >5g/t Au for underground operations can be economic. Large and very large orogenic gold deposits of this type occur in various countries, including Australia, Brazil, DRC, Canada, Ghana, Tanzania, the Mali and Zimbabwe.

The style of gold mineralization on all of the permit areas is expected to be comparable to that found in Sadiola, Segala and Tabakoto deposits in being related to faulting and/or fracturing.

Mineralization may also be spatially related to the emplacement of intrusives. The gold mineralization is mesothermal in origin and occurs as free gold in quartz vein stockworks and zones of silicification in quartzite, associated with arsenopyrite and to a lesser extent pyrite and antimony.

1.6 Exploration

Exploration undertaken by TransAfrika has concentrated on Farabantourou, Loulo-Est and Segala-Ouest with the work being aimed at identifying drill targets on the various permit areas. Dag-Dag, Farabantourou, Loulo-Est and Segala-Ouest have been subject to exploration campaigns for commercial deposits in the past, whilst Foulaboula has only had some government funded regional soil sampling and mapping data. Each of these has known gold anomalies and Loulo-Est and Segala-Ouest are adjacent to operating gold mines.

Only reconnaissance work has been undertaken on Foulaboula and Dag-Dag.

Farabantourou

Exploration work undertaken by TransAfrika on Farabantourou comprises

- Interpretation of satellite imagery covering the area.
- Regional soil sampling over the western part of the permit.
- Infill soil sampling. Samples were taken on 100m spaced lines and on a sample interval of 50m. Sampling was completed in an E-W and on a SSW-NNE grid.
- First phase of RC drilling of the gold anomalous zone. Ten drillholes were completed.
- An IP survey, completed by Spectral Geophysics.

An IP survey was completed by Spectral Geophysics in early January 2010 over the Kousilli target area. Soil anomalies from the earlier sampling program were shown to coincide with structures interpreted from the chargeability maps in 5 areas on the grid.

Ten reverse circulation (RC) drillholes were drilled over one of the identified soil anomalies in the eastern part of the Kousilli area. A total of 978m in 10 drillholes were completed. Only two of the drillholes, FARC004 and FARC005, intersected any significant mineralization. Drillhole FARC005 intersected 18m@1.26g/t Au. This intersection includes 4m@2.90g/t Au and 3m@2.66g/t Au. Drillhole FARC004 intersected 2m@1.99gt Au and 4m@1.16g/t Au. Intersection widths are sample lengths and not necessarily true thickness of the mineralization. Mineralization cannot be correlated between drillholes due to a poor understanding of the geology. Results of the drilling show that gold mineralization does occur but are inconclusive as to the prospectivity of the area.

Loulo-Est and Segala-Ouest

Exploration work undertaken by TransAfrika on Loulo-Est and Segala-Ouest comprises

- Soil geochemical surveys
- Trenching both new trenches and resampling of old trenches
- Ground Magnetics on Loulo-Est

- An IP/Resistivity survey over Loulo–Est
- Reverse Circulation and Diamond drilling on Loulo-Est

Anomalous gold values are scattered over the grids on both Segala-Ouest and Loulo-Est. On Loulo-Est only the northern portion of the permit hosts soil anomalies of interest. The gold grades in the soils samples in the southern portion are at background levels. Standard contouring of the soils data shows no well defined anomalies or trends. However using geostatistical estimation techniques, one strong anomaly at 40° and several weak anomalies at 140° have been defined.

Eleven trenches were dug or reopened over soil anomalies on the two permits totaling 1,630m in length and yielding 1,806 samples. One trench on Loulo-Est returned significant values. Gold was found to be associated with quartz veins but no shearing was observed in the trench. Trenching on Segala-Ouest near the artisanal workings in central Segala-Ouest and another area in the northwest of the permit near the boundary with Loulo-Est yielded encouraging results. Some 248 auger samples were collected over soil anomalies. Auger drilling failed to identify specific drill targets within the broad soil anomalies.

A ground magnetic survey was done concurrently with the soil sampling program on Loulo-Est. The magnetic data are noisy and blanketed out by thick laterite cover in large parts of the area. Hematite in the laterite is believed to contain fine magnetite that formed during grass fires. As a result the data is difficult to interpret and the survey has been of limited use.

Spectral Geophysics was contracted to complete an IP and resistivity survey over gold soil anomalies on Loulo-Est. The survey was initiated to determine the existence of disseminated sulphide bodies and/or silicification of significant structures.

Aside from the obvious contacts between the granitoids, volcano-sedimentary units and clastic sediments, the nature of the IP anomalies is not understood. The IP survey defined structures do not appear to coincide directly with the gold in soil anomalies nor the geology as interpreted by previous mapping and regional magnetics. In addition the large gap in the eastern area near the expected granitoid/volcano-sedimentary contact leaves the nature of the contact in this area undefined.

An RC drilling program was initiated in March 2009 by TransAfrika on Loulo-Est and was completed during May 2009. Sixty (60) drillholes, totaling 5,820m, were completed. The locations of the RC drillholes and cross sections are indicated in Figures 12.4.1_1 and 12.4.1_2. Drillholes were drilled to test soil anomalies.

Drillhole LERC032 returned the best intersection, assaying 2m@7.4g/t Au from 79m to 81m. This, however, was at the bottom of the drillhole, which was stopped at 81m due to wet samples.

Other significant intercepts (sample drillhole length not true width) include:

- LERC011 - 5m@1.3g/t Au from 0m;
- LERC024 - 2m@1.5g/t Au from 19m;
- LERC025 - 5m@1.1g/t Au from 56m;

- LERC026 - 3m@1.7g/t Au from 7m;
- LERC 028 - 7m@2.0g/t Au from 28m, 2m@ 2.7g/t Au from 44m, and 2m@2.2g/t Au from 82m.

Drill sections LERC024 – 28 and LERC029 – 31 intersected multiple zones of mineralization (Table 12.4.1_1). Drillholes LEDD010, LERC024-026, LEDD005-006 and LERC029-31 all intersected more than 1g/t Au (Table 12.4.1_1).

Initial integration of the soil, RC, magnetic and IP data revealed a number of exploration targets that were to be investigated through diamond drilling. Four drillholes were drilled to investigate the granite – greenstone contact. The diamond drilling program included some 12 drillholes for a total of 2,404m.

Lithologies encountered during the drilling program included greywacke, siltstone, argillite/shale and granitoids with minor quartz veins. Drillhole LEDD011B traversed the sediment-granite contact.

The following intersections were made in the diamond drillholes (widths are drillhole lengths and not true widths):

- LEDD005 – 1m@21.80g/t Au from 17m depth with anomalous zones down the drillhole
- LEDD006 – 5m@1.04g/t from 7m – 12m with anomalous zones down the drillhole
- LEDD007 – 1m@1.05g/t Au at 94m depth
- LEDD008 – 3m@0.77g/t Au from 61m to 63m depth
- LEDD010 – 13m@1.17g/t Au from 39m to 52m depth. The mineralized structure was intersected at a low angle and true width will be much less. The mineralization is associated with intense chloritic alteration and quartz veining
- LEDD011B intersected anomalous gold values (0.42g/t over 7m) from 123m to 131m. The zone is intensely chloritized with quartz veins 30m above the granite greenstone contact

Correlation of mineralization between drillholes is difficult as the geology is poorly understood.

1.7 Sampling, Data Collection and Quality Control

Sampling methods for soils, trenches and drillholes all followed industry standards. Methods remained consistent over the various phases of exploration and over all of the properties.

Soil sample grids were designed with 100m, 200m or 400m line spacing depending on where higher resolution of sampling was required, and 100m, 50m and 25m sample spacing along grid lines as necessary.

Rock grab sampling, a fist size sample of the rock was normally collected.

Channel sampling was performed within trenches and artisanal pits or workings. In trenches continuous horizontal samples were collected at one metre intervals on the sidewall about 20cm from the floor of trench or pit, from one end to the other. Sample lengths were occasionally adjusted to account for lithological changes.

All drilling was undertaken by reputable drilling contractors to industry standard. Diamond drilling produced HQ (63.50mm) and NQ (47.60mm) size core with core recovery in the

competent rock greater than 90%. Sample recovery in the RC drillholes appears to have been within acceptable limits. Geologist reports and logs do not indicate any serious problems.

All surveys were carried out using a handheld GPS with a horizontal accuracy of ± 5m. Elevations have not been accurately measured.

Logging has been carried out to industry standards using appropriate descriptors in a systematic manner. Data is captured on Excel spreadsheets. The size of the program does not yet justify the work required to set up an appropriate relational database for data capture. No density data has been recorded.

A full chain of custody was implemented for the sample submission by the geologists for the entire process from the sampling to the analytical laboratory. Samples were road freighted by TransAfrika or their contractors from site to laboratories in Kayes and Bamako, Mali. Drillhole core, duplicates of RC samples and chip trays are stored in a locked compound at the field office in Kéniéba. RC sample chips rejects were left at the drill site and have not been retained.

Soil sample preparation and analysis was carried out by SGS Mineral Testing Laboratory in Kayes, Mali. All samples were analysed for Au by Fire Assay using Aqua Regia digestion with a di-isobutyl ketone (DIBK) extraction and an Atomic Absorption Spectroscopy (AAS) finish. The detection limit for this method is 2ppb for Au.

RC and diamond drill Sample preparation and analysis was carried out by ALS Chemex, Bamako, Mali. All samples were analysed for Au by Fire Assay with an AAS finish with a detection limit of 0.01ppm. Assays that were greater than the upper detection limit of 100ppm were re-assayed and determined analytically using a gravimetric finish with a detection limit of 0.05ppm.

A comprehensive quality assurance and quality control (QA/QC) program was undertaken. The QA/QC program identified various aspects of the results that could have negatively influenced the subsequent mineral resource estimate. It was possible to identify samples that had been swapped, missing samples, and incorrect labelling amongst other aspects.

The quality control program was planned to included, a standard and a duplicate within every 20 samples submitted. During the RC drilling programs a blank was also inserted within every 20 samples. The intended aim was 5% coverage for each of the control sample types. This was not strictly adhered to due to operating difficulties during parts of the sampling programs but sufficient quality control samples were submitted to demonstrate the accuracy and precision achieved by the laboratories.

The quality control data was analysed on an on-going basis and generated queries with the laboratory. While most data problems were successfully resolved there are a number of analyses, especially in low grade Standard Reference Materials which produced results outside of expected ranges. These have not been explained and may be random errors due to a variety of causes. The presence of a large number of apparently random errors reduces

the confidence in the data however, the data is still of sufficient quality to be used for target generation exercises.

The electronic drillhole data base was imported into Micromine^{TM}; a three dimensional modeling software, during the course of the exploration work. The data was then validated and interrogated by TransAfrika. Surface sampling was validated through quality control routines for assay data. Field procedures and core logging were reviewed by Coffey Mining and TransAfrika senior staff during several site visits.

Historical data in some trenches on Segala-Ouest was validated by resampling the dump material from the old trenches and resampling within the rehabilitated trenches.

1.8 Conclusions

The drilling undertaken or contracted by TransAfrika has been completed to industry standard practices. Because the siting of the drillholes was done before a comprehensive target generation exercise had been completed, the results could not give more insight into the local geology and are generally not very useful. Aside from this deficiency, Coffey Mining has reviewed the data and is of the opinion that the rest of the data, soils sampling, trenching and geophysics completed to date, whether undertaken by TransAfrika or contracted out, has been completed to an acceptable standard and is fit for purposes of target generation.

The Foulaboula Permit area shows two weak soil anomalies which have not been tested. The weak anomalies coupled with a lack of artisanal workings and a lack of strong regional fault trends make the Foulaboula permit an area of low potential for hosting a commercially viable gold deposit. On Farabantourou previous holders of the permit have found several apparently small, low grade targets and deposits. However, the understanding of the geology is poor and the historical drilling programs do not appear to have been well planned. Mineralization was not fully tested and additional work is warranted on the permit area. Mineralization at Farabantourou is hosted by north-west, north and north–east trending structures similar to the operating mines and the descriptions in the public domain reports show similar styles of mineralization. It is the author's opinion that should an economic deposit exists in the areas, it is likely to consist of numerous smaller deposits rather than a large one. The Dag-Dag permit has no obvious signs of mineralization on surface. The presence of Birimian meta-sediments is a positive sign but if any mineralization is present it is buried and will take a substantial amount of work to find. Given the lack of prospective bedrock geology, the large amount of transported sediments, and the low values and lack of correlation between the gold and arsenic soils results, it is considered that the gold soil anomalies are probably not indicating gold deposits on the property but rather are from deposits farther away. Coffey Mining does not consider the Dag-Dag Permit area to have a reasonable potential for hosting an important gold deposit or meet the current commercial criteria for TransAfrika.

The Loulo-Est and Segala-Ouest permits appear to have the most potential for hosting a gold deposit of small to moderate size. Review of the exploration data collected so far shows structural elements similar to those found on the neighbouring mines and large areas of gold in soils. Two major lithological contacts are present on the permits both of which regionally show shearing and the potential for mineralization. The presence of felsic dykes which are associated with mineralization on some of the operating mines and seen in some of the

trenches upgrades these targets further. A small area of advanced argillic alteration associated with quartz veins are seen in the central portion of Segala-Ouest. The structural extension of the Segala mine is found on the north eastern part of Segala-Ouest.

The geology is not well understood. There are two different interpretations of the geology on the northern part of Loulo-Est relating to the contact between the clastic sediments and volcano-sedimentary units. Soil sampling outlined soil anomalies but these are poorly defined at present. The anomalies trend north northeast and northwest similar to the structures hosting Tabakoto and Segala deposits and are locally supported by linear features seen in aeromagnetic data.

1.9 Recommendations

Further evaluation of the Loulo-Est, Segala-Ouest and Farabantourou permit areas is warranted. Work programs have been proposed for these areas to include surface mapping, soil sampling, target generation and exploration drilling. Timing of work programs is partially dependent on the weather especially during the rainy seasons where field work is difficult in June, July and August due to flooding.

The phases for the project are defined by both further exploration leading to target generation and also decision points associated with permit renewal considerations which require relinquishing of ground.

The exploration of the **Farabantourou** permit has an estimated exploration budget of USD576,100. In addition to the initial work, geological mapping will be carried out over the entire permit area with emphasis on structural geology. Once the structure is better understood, drill results from all known prospects should be reinterpreted.

Chargeability maps in the Kousilli area show a fold closure at depth. The chargeable body in the closure should be tested by drilling. Should the assessment be positive a drilling budget has been allowed for from Q1 2013. The nature of the drill programme will be determined by the exploration results. A four phase exploration programme has been proposed.

The potential to host gold mineralization of commercial interest looks poor on **Dag-Dag** and Foulaboula. A limited soil sampling program has been completed by TransAfrika to augment the regional government data on Dag-Dag. The results were negative and TransAfrika terminated the program on Dag-Dag.

For the combined **Loulo-Est and Segala-Ouest** permit area, an exploration budget of USD690,100 has been estimated.

The recommendation for Phase 1 involves the following work:-

- The soil sampling should be extended to cover the whole of Segala-Ouest.
- Geological mapping of the permits
- Target generation

Phase 2 will consist of trenching and pitting of targets delineated in Phase 1. Most of the area is amenable to trenching using manual labour. As this is a cost effective way of confirming mineralization in target areas, an extensive trenching program is recommended before drill targets is selected.

Phase 3 will consist of drill planning. A number of potential drill targets exist on the permits and prioritization of drill targets will be required before drilling commence.

Coffey Mining considers the exploration rationale to be appropriate for this stage of the projects. Additional funding may be required at a later stage.

2 INTRODUCTION

Coffey Mining (SA) (Pty) Ltd (Coffey Mining) was requested by TransAfrika Belgique SA (TransAfrika) to compile an Independent Technical Report (ITR) on their Mali gold exploration permits held by TransAfrika Mali SA, in which TransAfrika has a 74% holding. The remaining shares are held equally by the joint venture partners Rock SARL and International Business Holdings Limited (IBHL). The shares of TransAfrika are being sold by TransAfrika Resources Cyprus Ltd, the parent company to Desert Gold Ventures Inc., a Toronto Stock Exchange (TSX) – Venture listed company.

Under the terms of the agreement, Desert Gold will acquire all of the issued and outstanding shares of TransAfrika in exchange for an aggregate of 20,000,000 common shares of Desert Gold. In addition, Desert Gold will be required to issue a further 12,000,000 common shares, in the event that within a two year period Desert Gold publishes a NI 43-101 compliant resource estimation disclosing that the mineral properties located in Rwanda, Mali and Senegal contain an additional 1,000,000 ounces of gold.

This report is compliant with the requirements of the Canadian National Instrument 43-101 (NI43-101), its Companion Policy (National Instrument 43-101CP) and Reporting Template (National Instrument 43-101F1).

The effective date of the report is 30 August 2011.

2.1 Scope of Work

TransAfrika, through its subsidiaries and joint venture agreements, has acquired five exploration permits (EP) focused on gold in Mali.

These properties consist of four in western Mali and one in southern Mali. Except for the Foulaboula property in southern Mali and the Dag-Dag property near Kayes, the permits are located in an established gold mining area near the Falémé River which forms the boundary between Mali.

All of these properties are undeveloped but were subjected to exploration in various degrees of intensity prior to TransAfrika obtaining the exploration permits. Initial ground reconnaissance surveys were undertaken by TransAfrika over all of the permit areas. Following this, exploration work to date includes soil and grab sampling, trenching, auger drilling, IP surveys, reverse circulation (RC) drilling and diamond drilling. Publicly available historical exploration results have been obtained and assessed. Drilling has been carried out on two of the exploration permits (Farabantourou and Loulo–Est). Gold is the targeted commodity.

Coffey Mining is an independent technical consulting group, with no direct or indirect interests in TransAfrika. The exploration program has been managed and completed by Coffey Mining from its Ghana office in Accra.

All units are metric, unless otherwise stated i.e. tonnes are reported as metric tonnes.

2.2 Participants

The Coffey Mining personnel involved in the ITR of the TransAfrika exploration permit areas, including their principal areas of responsibility, are listed below:-

Kathleen Body, Coffey Mining Principal - Resources – Southern Africa :
(Pr.Sci.Nat, BSc (Geology)
Site Visits, geological interpretation, target evaluation, report preparation.

Rachel McKinney, Coffey Mining –Consultant
(MSc Geology)
QA/QC, report preparation.

Ken Lomberg, Coffey Mining Senior Principal:
(Pr.Sci.Nat, BSc (Hons) Geology, BCom)
Peer Review.

Kathleen Body and Ken Lomberg and are registered professional natural scientists (Pr.Sci.Nat.) with SACNASP and are "Competent Persons" as defined in the 2007 edition of the SAMREC Code. They are also "Qualified Persons" as that term is defined in Canadian National Instrument 43-101.

The Competent Person with the overall responsibility for this CPR is Mrs Kathleen Body, Pr.Sci.Nat. Mrs Body is competent based on the guidelines provided in Section 5.3 of the SAMREC code and is a Qualified Person as defined in NI43-101. Mrs Body is a geologist with 15 years experience in the mining industry in a variety of commodities including gold.

Neither Coffey Mining, nor the key personnel nominated for the work, has any material interest in TransAfrika, its subsidiaries or their mineral properties. The work, and any other work done by Coffey Mining for TransAfrika, is strictly in return for professional fees. Payment for the work is not in any way dependent on the outcome of the work or on the success or otherwise of TransAfrika's own business dealings. As such, there is no conflict of interest in Coffey Mining undertaking the ITR as contained in this document.

2.3 Data Acquired

The data and information made available to Coffey Mining are summarized as follows:-

- Various maps in the public domain detailing the regional geology and geography.
- Reports and other information, private and in the public domain, relating to demographics, economics and security in the country.
- Photographs and geographic coordinates of artisanal workings on and near the properties acquired during site visits.
- Monthly and annual reports on exploration permits since acquisition.
- Results of soil and grab sampling, and regolith mapping conducted to date.
- Drillhole and trench database including quality assurance and quality control data.
- Visual inspection of core from diamond drillholes during a site visit.

Details for the data available for each permit area are discussed under Section 10

2.4 Site and Technical Visits

Coffey Mining managed some of the exploration projects during 2009 through its Accra, Ghana office. Site visits have involved management of the teams, reviews of field work conducted and planning of future field work. The final visit at the end of the field work was to verify information and interpretations of geology provided by TransAfrika.

A site visit for the purposes of this report was undertaken between the 22 May and 1 June 2010 to Mali by Kathleen Body. All of the sites except Foulaboula were visited. Foulaboula was omitted as no work has been carried out on the permit area by TransAfrika.

Since the competent person's visit, soil sampling has been conducted over regional soil anomalies on Dag-Dag. Results were however negative and exploration terminated. Currently an Induced Polarization (IP) survey is in progress on Farabantourou.

3 RELIANCE ON OTHER EXPERTS

Coffey Mining has relied on data supplied by TransAfrika for its review of the Project. These data include third party technical reports and unpublished third party information. The authors have made all reasonable enquiries to establish the completeness and authenticity of the information provided and identified, where data cannot be verified and/or there is reason to doubt its accuracy, this is stated in the text. A final draft of this report was provided to TransAfrika along with a written request to identify any material errors or omissions prior to final submission.

Eversheds of London was commissioned by TransAfrika to undertake the verification of the standing of the exploration permits. Their legal opinion is that the exploration permits have been validly created and is duly registered in the name of TransAfrika Senegal SA or TransAfrika Mali SA (November 2010).

While the authors of this report have read the legal opinions and seen copies of the permit documents, they not experts on the legal and taxation aspects of exploration and mining projects. No warranty or guarantee, be it express or implied, is made by Coffey Mining with respect to the completeness or accuracy of the legal and taxation aspects of this report. In addition the authors are not experts in the assessment of the environmental impact of these projects.

Some of the quoted mineral resources reported here are not in accordance with the requirements of NI43-101 and are reported for historical purposes, unless otherwise stated.

4 PROPERTY DESCRIPTION AND LOCATION

Three of the four western Malian permit areas are located close the Falémé River (Figure 4_1). These permit areas are in an established gold mining area which includes the Sabodala Mine in Senegal and the Loulo, Sadiola, Tabakoto and Segala mines in Mali. Foulaboula is in south western Mali near the Guinea border. There are no operating mines close to Foulaboula. Foulaboula is located 175km south of Bamako, the capital of Mali.

4.1 Mali Permits

All of the permits in Mali are held by TransAfrika Mali SA, a joint venture company incorporated in Mali with 74% held by TransAfrika and 13% by each of the two joint venture partners. The permits are governed by a standard Convention Minière (Mining Convention) detailing the fiscal and legal regime under which the exploration permits are granted. The Convention Minière also details the extent of the permit area and minimum work and expenditure requirements. These main requirements are repeated in the "Arrêtes" issued for each of the permits. Rights and work requirements common to all of the five permits are:

- A licence for exploration is granted to the first applicant, provided that applicant, whether a physical person or a legal entity, can demonstrate the requisite technical and financial abilities. A licence for exploration gives its holder an exclusive right to explore for a group of substances. The applicant should provide, in support of his application, a report including a program for research activities and the relevant annual budget.
- The permits are valid for a period of three years and are renewable twice for three (3) years each time, by reducing the permit area for 50% on each renewal.
- The law does not prohibit that exploration works may be carried out during the renewal process.
- TransAfrika Mali is required to submit
  - Work programs and budgets for the permits within thirty days of the granting of the exploration permits and yearly before the 1st December for the following year.
  - Brief quarterly reports must be submitted in the first two weeks of the quarter, detailing the previous quarter's activities.
  - An annual report, submitted in the first quarter of the following year, detailing the years completed exploration activities.
  - Details of the reporting structure on exploration activities and reporting of sampling and exploration results are given in the Arrêtes.

The extent and coordinates of each of the permits are given in Tables 4.1_1 to 4.1_5. Property boundaries are located by the coordinates given on the Exploration Permit. There is no requirement to erect beacons at the property corners.

Table 4.1_1
TransAfrika West Africa Gold
PR 08/348 Dag-Dag Corner Coordinates

Points	Latitude (N)	Longitude (W)
A	14° 35'00"	11° 27'30"
B	14° 35'00"	11° 18'00"
C	14° 28'55"	11° 18'00"
D	14° 28'55"	11° 27'30"

Table 4.1_2
TransAfrika West Africa Gold
PR 08/3549 Farabantourou Corner Coordinates

Points	Latitude (N)	Longitude (W)
A	13° 33'45"	11° 34'00"
B	13° 33'45"	11° 32'00"
C	13° 29'17"	11° 32'00"
D	13° 29'17"	11° 34'00"
E	13° 26'11"	11° 34'00"
F	13° 26'11"	11° 38'00"
G	13° 32'00"	11° 38'00"
H	13° 32'00"	11° 34'00"

Table 4.1_3
TransAfrika West Africa Gold
PR 08/349 Loulo-Est Corner Coordinates

Points	Latitude (N)	Longitude (W)
A	13° 00'40"	11° 19'00"
B	13° 00'40"	11° 18'00"
C	13° 00'00"	11° 18'00"
D	13° 00'00"	11° 16'00"
E	13° 02'00"	11° 16'00"
F	13° 02'00"	11° 14'30"
G	13° 03'00"	11° 14'30"
H	13° 03'00"	11° 13'13"
I	13° 00'00"	11° 13'13"
J	13° 00'00"	11° 15'27"
K	12° 58'30"	11° 15'27"
L	12° 58'30"	11° 18'00"
M	12° 56'48"	11° 18'00"
N	12° 56'48"	11° 19'00"

Figure 4_1

Map Showing Geographic Location of the Exploration Permits

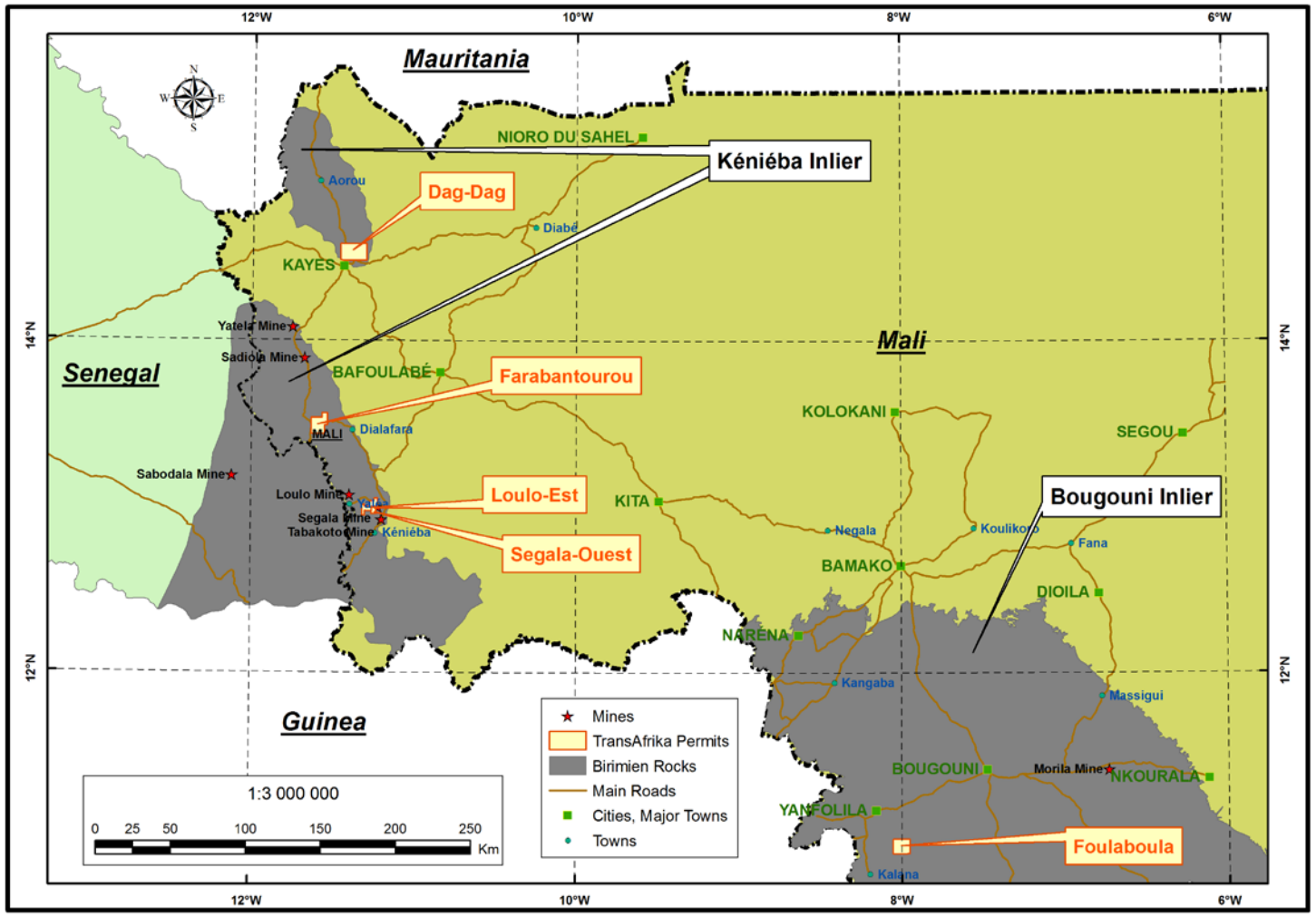


Table 4.1_4
TransAfrika West Africa Gold
PR 09/396 Segala-Ouest Corner Coordinates

Points	Latitude (N)	Longitude (W)
A	13° 00'00"	11° 15'12"
B	13° 00'00"	11° 13'35"
C	12° 57'30"	11° 13'35"
D	12° 57'30"	11° 15'40"
E	12° 58'30"	11° 15'40"
F	12° 58'30"	11° 15'12"

Table 4.1_5
TransAfrika West Africa Gold
PR 08/347 Foulaboula Corner Coordinates

Points	Latitude (N)	Longitude (W)
A	11° 00'00"	8° 03'11"
B	11° 00'00"	7° 57'04"
C	10° 54'40"	7° 57'04"
D	10° 54'40"	8° 03'11"

In has been noted by Coffey Mining that there is an apparent error in the Segala-Ouest permit coordinates when plotted according to the coordinates given on the permit documents. There appears to be an overlap with the Loulo-Est permit and a gap between Segala –Ouest and the Avion mine property. In reality this gap/overlap does not exist and the properties are contiguous. TransAfrika is currently in communication with the Government of Mali to rectify the apparent error. All maps in this report are plotted without the gap/overlap.

The properties were undeveloped at the time TransAfrika Mali acquired the permits. There are artisanal workings on Farabantourou, and Segala-Ouest. There are no other commercial activities on the properties except for the Kayes regional airport on the Dag-Dag permit.

4.2 Summary of Exploration Permits

A Summary of the Exploration permits is given in Table 4.2_1. Included are expenditure requirements and status. Expenditure requirements for Farabantourou, Loulo-Est and Segala-Ouest have been or will have been met by the stipulated deadlines. Expenditures for Dag-Dag and Foulaboula have not been met as required. Where expenditure requirements have not been met both Mali allow for a remediation to be made within two (2) months of notification by the governments and for a request to be made to the government for a deferral of expenditure to later periods. In Mali no environmental studies or management plans are required to be completed and approved at the exploration stage. These are only required at the submission of an application for an exploitation (mining) permit.

Table 4.2_1
Summary of Exploration Permits

Exploration Permits	Area (km^2)	Exploration Permit Requirements	Holder	Expiry Date
Dag-Dag, Mali Arrête 08/2538	191	The permit is not subject to any review of mining contracts. Major regulatory requirements include quarterly and annual technical reports, annual submission of a work program and budget, and payment of annual surface fees. All regulatory requirements to date have been met. The company is also obliged to spend a minimum of FCFA 155,000,000 (USD 315,680) for the year ending 10 September 2010 in terms of the annual budget submitted to the authorities. The actual expenditure for 2010 is USD 4,470 (Data compilations and reconnaissance mapping downgraded the permit). The mining authorities have to give 60 days notice to remedy the shortfall and it is possible to negotiate deferral of the required expenditure to future periods. An environmental study is not required in terms of the legislation at this stage.	TransAfrika Mali SA	10 September 2011 renewable for two successive periods of three years at least four months before expiry
Farabantourou, Mali Arrête 08/3231	112	The permit is not subject to any review of mining contracts. Major regulatory requirements include quarterly and annual technical reports, annual submission of a work program and budget, and payment of annual surface fees. All regulatory requirements to date have been met. The company is also obliged to spend a minimum of FCFA 170,800,000 (USD 347,860) for the year ending 17 November 2010 in terms of the annual budget submitted to the mining authorities. The actual expenditure for 2010 is USD 730,004. An environmental study is not required in terms of the legislation at this stage.	TransAfrika Mali SA	17 November 2011 renewable for two successive periods of three years at least four months before expiry
Loulo-Est, Mali Arrête 08/2536	52	The permit is not subject to any review of mining contracts. Major regulatory requirements include quarterly and annual technical reports, annual submission of a work program and budget, and payment of annual surface fees. All regulatory requirements to date have been met. The company is also obliged to spend a minimum of FCFA 155,000,000 (USD 315,680) for the year ending 10 September 2010 in terms of its annual budget submitted to the mining authorities. The actual expenditure for 2010 is USD 397,418. An environmental study is not required in terms of the legislation at this stage.	TransAfrika Mali SA	10 September 2011 renewable for two successive periods of three years at least four months before expiry
Segala-Ouest. Mali Arrête 09/3474	16	The permit is not subject to any review of mining contracts. Major regulatory requirements include quarterly and annual technical reports, annual submission of a work program and budget, and payment of annual surface fees. All regulatory requirements to date have been met. The company is also obliged to spend a minimum of FCFA 144,000,000 (USD 293,280) for the year ending 22 November 2010 in terms of the annual budget submitted to the mining authorities. 2010 is the first year of validity of the permit. The actual expenditure for 2010 is USD 408,572. An environmental study is not required in terms of the legislation at this stage.	TransAfrika Mali SA	22 November 2012 renewable for two successive periods of three years at least four months before expiry
Foulaboula, Mali Arrête 08/2537	115	The permit is not subject to any review of mining contracts. Major regulatory requirements include quarterly and annual technical reports, annual submission of a work program and budget, and payment of annual surface fees. All regulatory requirements to date have been met. The company is also obliged to spend a minimum of FCFA 155,000,000 (USD 315,680) for the year ending 10 September 2010 in terms of the annual budget submitted to the authorities. The actual expenditure for 2010 is USD 3,814. The mining authorities have to give 60 days notice to remedy the shortfall and it is possible to negotiate deferral of the required expenditure to future periods. An environmental study is not required in terms of the legislation at this stage.	TransAfrika Mali SA	10 September 2011 renewable for two successive periods of three years at least four months before expiry
Total	**486**			

4.3 Royalties and Agreements

Coffey Mining is not aware of any royalties, back-in rights, payments or other encumbrances that could prevent TransAfrika from carrying out its plans or the trading of its rights to its license holdings in Mali.

4.4 Environmental Liabilities

Coffey Mining is not aware of any environmental liability artisanal mining or historic exploration impacts on the environment.

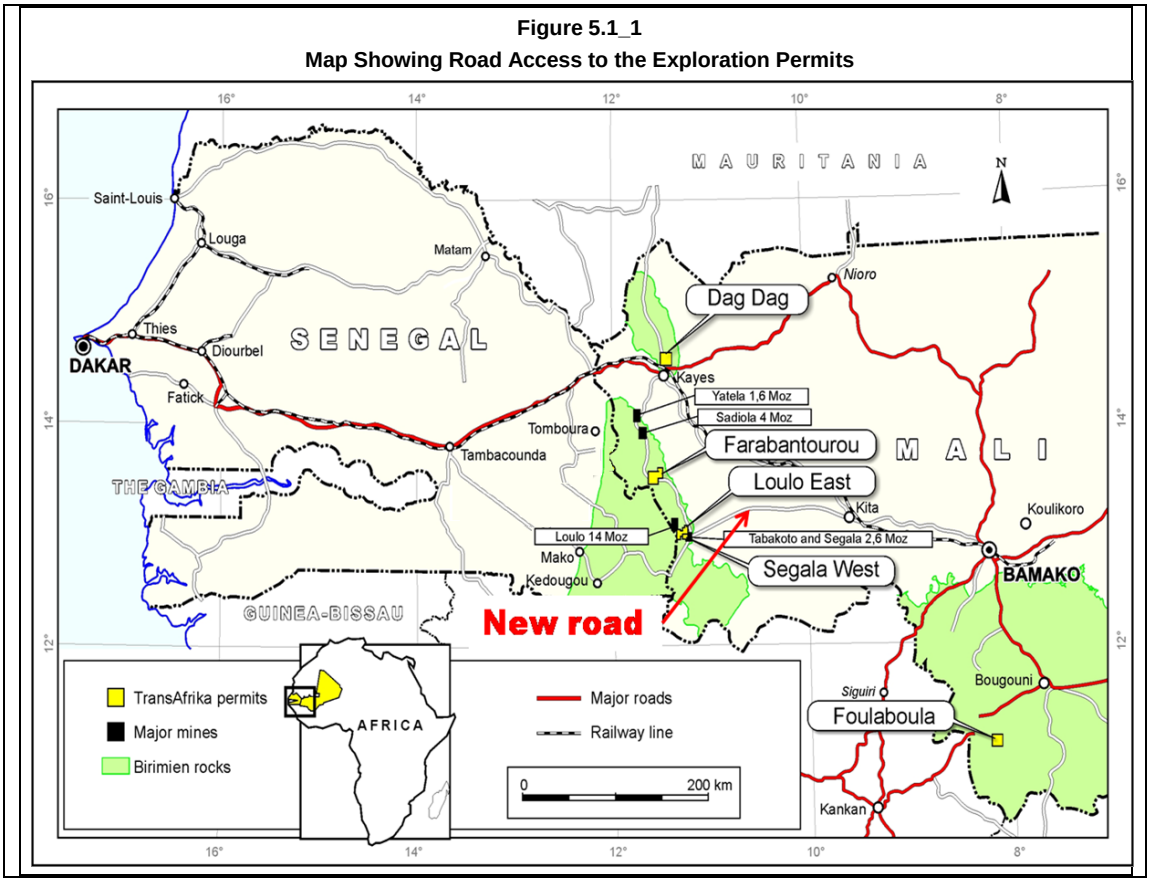
5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

Three of the four western Malian permit areas are located in a remote area far from most major infrastructure (Figure 5.1_1). The nearest paved road in Mali is the Trans-Sahel Highway which runs from Dakar, Senegal to N'Djamena, Chad via Kayes and Bamako in Mali. In Mali, the road is tarred and generally in good condition from Bamako up to approximately 120km from Kayes, thereafter it is poorly maintained and badly potholed along most of this section. The main road from Kayes to Kéniéba, which currently supplies the mines, is a poorly maintained dirt road which becomes impassable during much of the rainy season. A new section of paved road is being constructed between Saraya, Senegal and Bamako, via Kita. This road will run near the southern permit areas of Loulo-Est and Segala-Ouest and the village of Kéniéba and will connect the permits with Bamako.

The Dag-Dag permit is close to Kaynes and can be reached via a paved road.

Figure 5.1_1
Map Showing Road Access to the Exploration Permits



There is a railhead at Kayes for the railroad that parallels the Trans-Sahelian highway to Bamako. All fuel and supplies are transported by truck to the local mines, villages and project sites.

A small regional airport is located approximately 5km from Kayes and there is an uncontrolled airstrip at Kéniéba suitable for small airplanes.

Electricity is supplied by generators in many of the villages. There is no national grid near the permit areas and mines are responsible for their own power supply. Water supplies vary but would have to be accessed either by drillholes or the Falémé River. There is some gravity fed public water supply in Kéniéba and villages are supplied by drillholes. Mines are responsible for their own water supplies.

There is a national telephone service in the village of Kéniéba and Kayes. Alternative telephone services are limited to mobile phone coverage in the larger villages along the main routes.

Health services are poor. The nearest basic services would be in Kayes and Kéniéba with more advanced services limited to Bamako. Serious medical conditions would require evacuation to Europe or South Africa.

The Dag-Dag permit lies 5km from the town of Kayes just off the national route which runs from Bamako to Kayes. The permit area has a tarred road running through it that was in good condition when visited. The airport servicing Kayes is partly within this permit area and is a restricted zone.

The Farabantourou, Loulo-Est and Segala-Ouest permit areas are located within the Kéniéba District in western Mali (Figure 5.1_1) near the operating mines of Sadiola, Yatela, Loulo, Segala and Tabakoto. Access is by the Trans-Sahel Highway and an unpaved national route which runs parallel to the Senegal border from Kayes to Kéniéba. This road varies in quality from good to poor and may become impassable in the rainy season due to flooding and deterioration of the road surface.

The Farabantourou permit is immediately west of the village of Dialafara and some 40km from the Mali-Senegal border. The permit covers an area of 112km^2. Access is from Kayes along the national road to Kéniéba. Year round access is possible as there are no rivers or streams on or near the property that are subject to major flooding during the rainy season. No telephone and electricity services are available in or around the permit area. Kéniéba, 70 km to the south has an airstrip, but no rail link is available.

The Loulo-Est and Segala-Ouest permits lie next to each other, again close to the border with Senegal, in an area of undulating hills and close to the Tambaoura escarpment. This is a relatively densely populated area with a local economy of livestock and subsistence farming. The permit area lies between Loulo Gold Mine and Tabakoto Gold Mine and adjacent to the Avion Resources' Segala Mine, all north of Kéniéba.

The Foulaboula permit is 175km south of Bamako in an area of undulating hills and is relatively densely populated. The local economy is livestock and subsistence farming. The permit lies south of Lake Sélingué and it is accessible by dirt road most of the year. Infrastructure is similar to the other permit areas.

5.2 Climate

The climate of these parts of Mali varies from tropical to subtropical to arid: hot and dry in February - June; rainy and humid June – November; and, cool and dry November - February.

Locally, the climate in the Kéniéba District is distinctly tropical with only two seasons: a wet season from June to October and a dry season from November to May. The average temperature ranges between 18 and 43°C in western Mali. During the peak summer months, temperatures range between 25 and 43°C. In the winter months of December and January, the temperature varies between 18 and 35°C. The wet season generally moderates the average temperature.

Rainfall data recorded at Kayes, indicates that the wet season begins sometime during June and ends in October. Average annual rainfall is estimated at between 750 and 1000 mm/year. During the rainy season, measurable precipitation can exceed 18-20mm and peak rainfall can exceed 75 mm/day, in short, cloudbursts.

The average wind speeds in western Mali range from 6 to 12km/hr. The prevailing winds are the trades that change direction between the wet and dry seasons. During the wet season they generally blow from the west-southwest to east-northeast, and in the dry season they blow from the east-northeast to west-southwest. The dry summer winds will frequently blow high level sand/dust off the Sahara over much of West Africa. The annual Harmattan is a dry wind that blows from the north, usually from December to February, resulting in dusty and hazy skies (Currie, 2008).

Field operations are interrupted by the rainy season on Foulaboula, Loulo-Est and Segala-Ouest due to flooding. Exploration reports show that heat exhaustion and malaria can cause work to be delayed especially towards the end of the summer rainy season.

5.3 Local Resources & Infrastructure

Local infrastructure is non-existent to basic (Section 5.2). In general the populations of both Mali and Senegal are poorly educated and generally unskilled. Because Mali has operating gold mines there is some skilled and semi-skilled labour amongst the local population but the extent to which there is unutilized capacity is unknown. High skill jobs would generally still require expatriate labour for both exploration and mining programs.

5.4 Physiography

The country around Farabantourou, Loulo-Est and Segala-Ouest permit areas is generally flat and low lying (100-175m amsl) with low hills and numerous shallow ephemeral streams occur within the permit areas (Figure 5.4_1 to 5.4_6). The Falémé River (Senegal-Mali border) is to the south and west, of the Malian Permits, while the Tambaoura escarpment a 100m high wall of Taoudeni Basin sediments, forms part of the mountain range to the east (Figure 5.4_1 and 5.4_3). The Farabantourou permit has narrow ridges in the north (95m to 185m above mean sea level). Vegetation is typical of open savannah grassland and scrubland. There is lush vegetation during the rainy season (Figure 5.4_4). During the dry season, most of the grass dies down and many of the trees and shrubs lose their leaves making access to working areas generally easy (Figure 5.4_5). The only relief is from shallow streams. Several villages are found in the area. The main economic activities are commercial mining, livestock farming, seasonal crop growing and some artisanal workings for gold.

Figure 5.4_1
Google Earth Image of the Mali Senegal Border Area.

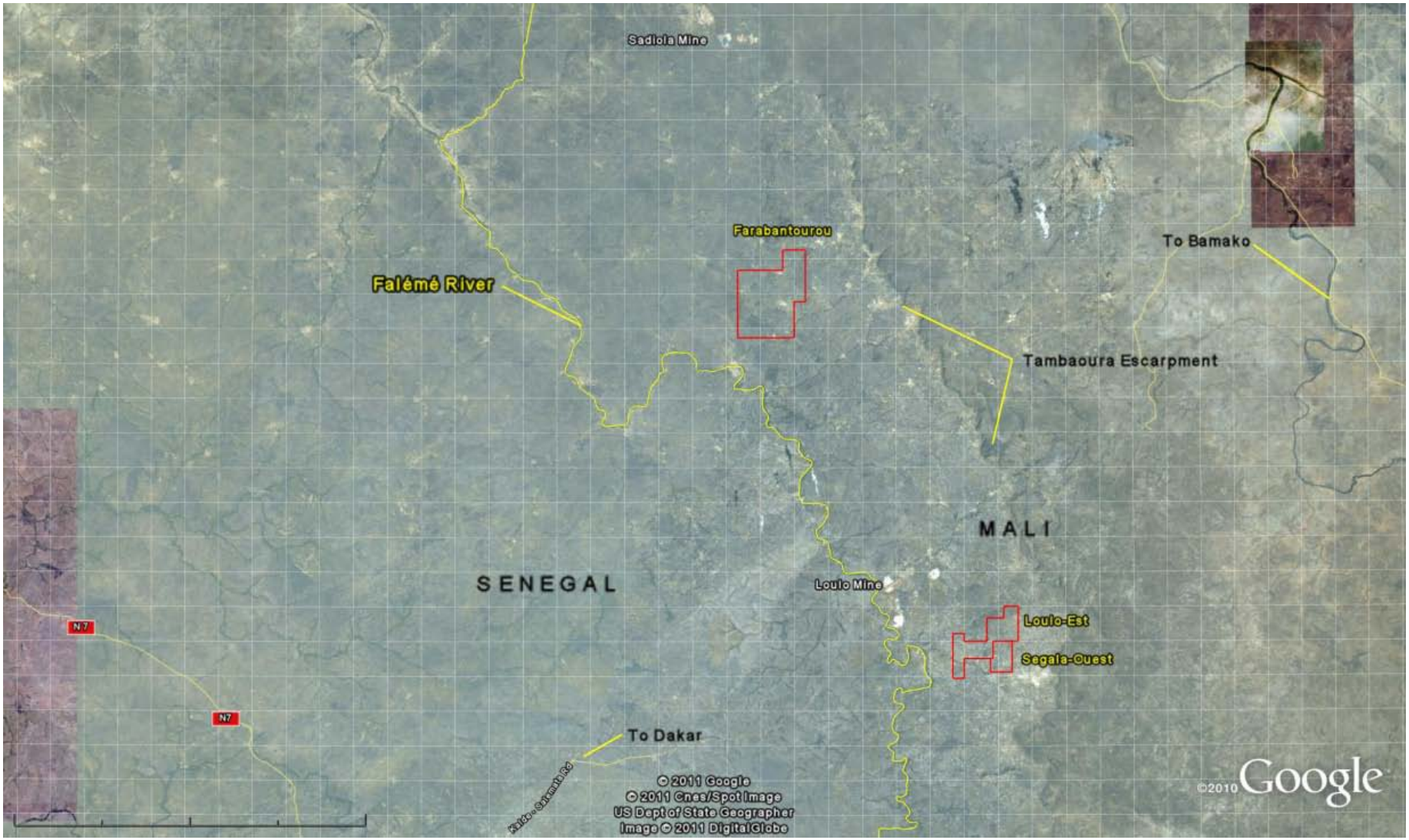


Figure 5.4_2

The village of Yatia within the Loulo-Est Permit during the wet season.

Figure 5.4_3

The Segala-Ouest permit from the Tambaoura Escarpment

Figure 5.4_4
Farabantourou Area in the wet season

Figure 5.4_5
The laterite cover at Barani East – Farabantourou in the dry season.

The Dag-Dag area, near Kayes, is low lying, 50-70m amsl, generally flat (Figures 5.4_6 and 5.4_7) with low ridges and crossed by shallow ephemeral streams. The local economies are primarily dependent on stock farming.

Figure 5.4_6
Physiography of the Dag-Dag Permit Area in the wet season

Figure 5.4_7
Physiography of the Dag-Dag Permit in the dry season

The Foulaboula permit area is 25km from the border with Guinea, forested, largely flat at an altitude of 400m amsl. The only relief is from low hillocks of ferricrete and laterite cover (Figure 5.4_8). The area is prone to flooding during the rainy season, which is from April to October. A portion of the permit area has been declared a conservation area.

Figure 5.4_8
Physiography of the Foulaboula Permit Area

6 HISTORY

The permit areas of Dag-Dag, Farabantourou, Loulo-Est and Segala-Ouest have had exploration work undertaken in the last ten years by one or more companies. In each case the permits have been allowed to lapse when the permit holders did not obtain the necessary funding to continue exploration or get the results required. The permit Foulaboula has had no known exploration undertaken for commercial mineral deposits.

6.1 Dag-Dag

The Dag-Dag Permit area has had regional mapping and soil sampling undertaken by the Malian government. The Société de Gestion Minière investigated the property and produce a report dated 17 June 1999. Trenches were dug an unknown location (no coordinate data available) but the results are negative. This survey identified several soil anomalies which are the subject of exploration activities.

Orezone Resources Inc., a previous holder of an exploration permit over the area undertook trenching and RC drilling is reported in press releases. At the time Orezone Resources had two exploration permits in Mali, the 148km^2 Dag-Dag permit area and the 112km^2 Farabantourou permit area. During the third quarter of 2007, the Company decided to abandon these two permits as well as an option to earn an interest in a third permit in Mali due to poor exploration results and an inability to conclude agreements with other companies to advance these projects. Details on the exploration work are not available in the public domain.

No artisanal workings were seen on the permit area.

6.2 Farabantourou

6.2.1 Hyundai Mali SA

Hyundai Mali S.A. (Hyundai) investigated the permit for gold as part of the Sepola Project (Hyde 2001, Hyundai Mali 2004). Hyundai held the permit from 1998 until 2004. Some of the data from the 1998-2001 drilling programs is available in the public domain.

Between October 2001 and June 2003(?), 823 RC drillholes were drilled for a total of 53,139m. This drilling program was a follow-up on targets identified by geochemical surveys, aeromagnetic surveys and artisanal workings. Mineralization was discovered in six areas; Barani, Barani East, Keniegoulou, Dambamba, Kousilli and Linnguekoto (Figure 6.2.1_1).

All results reported in this Section are apparent width or drillhole sample length and may not represent true width.

<u>Barani East</u>

The southern part of Barani East area is covered by thick laterite plateau with Birimian sediments partially exposed to the south (Figure 6.2.1_2). Mineralization trends north-north east and is hosted by east dipping carbonate rich siltstone and shale. Depth of weathering in the central portion of the mineralized zone is down to 150m.

Barani East was interpreted by Hyundai to host gold mineralization in thin lenses associated with thrust faulting. Gold grade is enhanced near surface by the effects of weathering. The mineralization becomes narrower with depth and the dip flattens. No drillholes drilled on Barani East produced core. As a result the nature of the mineralization is poorly understood.

By June 2001, 63 drillholes, returning 54 mineralized intersections, were drilled on the prospect for a total of 5,628m. Mineralization was tested over 1,200m of strike (Figures 6.2.1_2 and 6.2.1_3). The highest gold grades intersected are presented in Table 6.2.1:

Table 6.2.1_1
Farabantourou
Significant Mineralization Intercepts from Reverse Circulation Drilling on sections at Barani East
(Gold intersections above a 0.5g/t cut-off)

Drillhole No	From (m)	To (m)	Intersection Width (m)	Grade (g/t)
RCSP566	55	59	4	8.26
RCSP573	23	29	6	7.90
RCSP789	15	18	3	4.42
RCSP813	79	82	3	5.95
RCSP816	56	60	4	9.31

Figure 6.2.1_1
Map showing the localities of prospects on Farabantourou
(Based on soil sampling undertaken by TransAfrika)

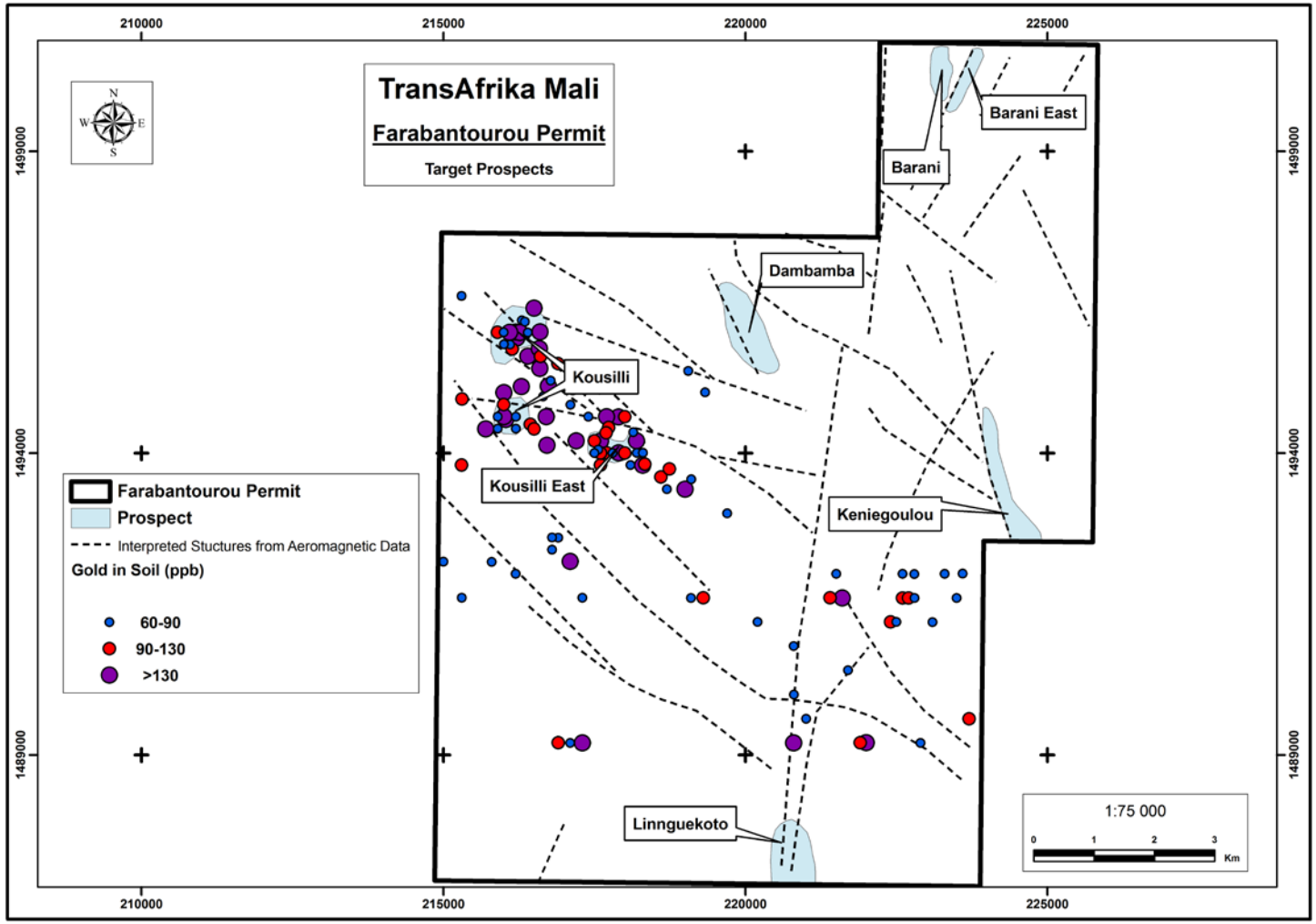


Figure 6.2.1_2

Map showing the Barani East mineralized zone and some drill results(Hyde 2001)

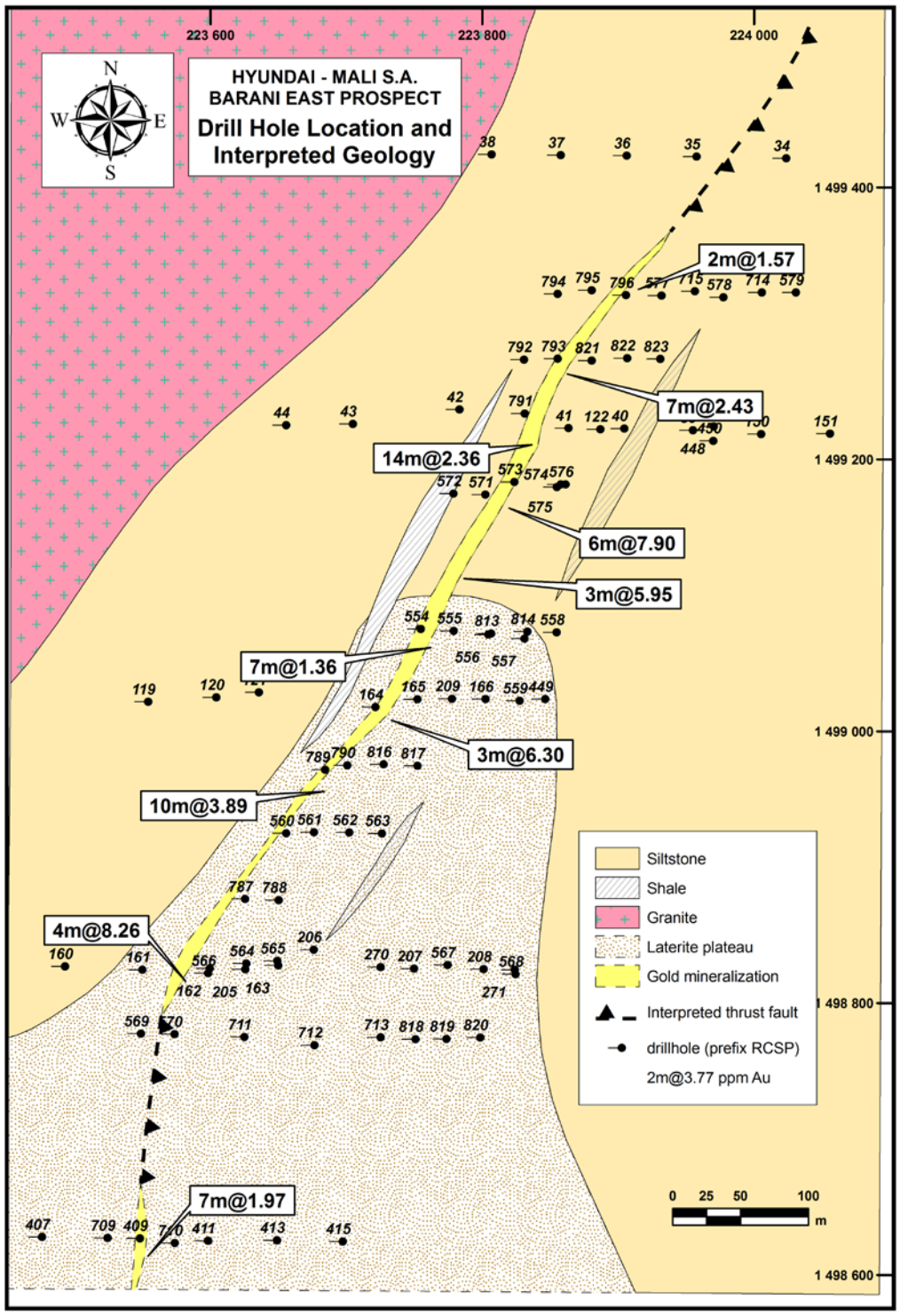
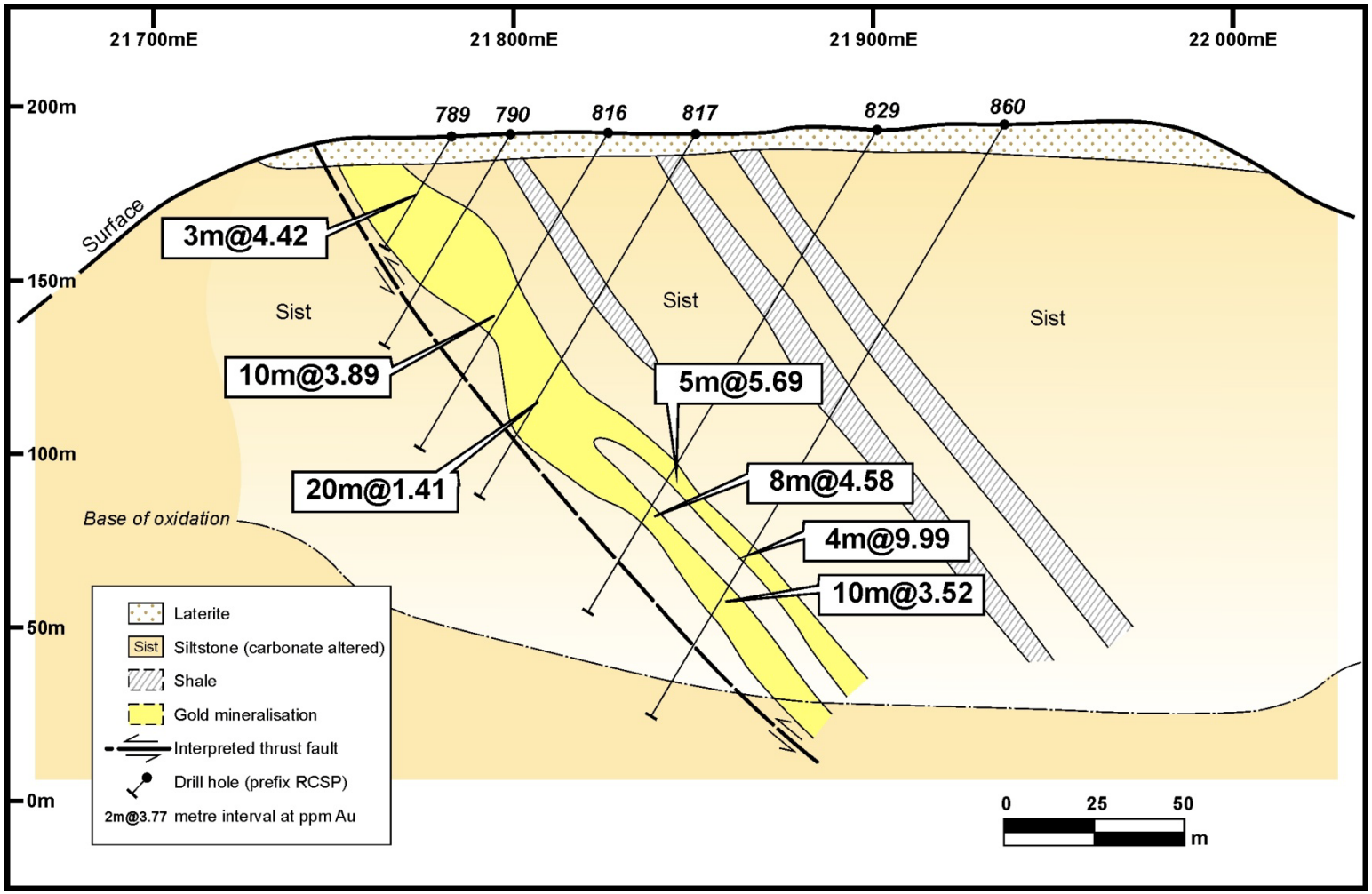


Figure 6.2.1_3

Barani East. Drill section 46350mN (Hyde 2001)



Keniegoulou

Keniegoulou is underlain by fine grained siltstone and shale, highly altered and moderately foliated and weathered to 40-50m below surface. A number of diorite dykes were intersected in the drillholes. The most prominent feature is a partly outcropping, partly buried north north-west trending band of schists and silicified siltsone with quartz veins and tourmaline. These are in/and parallel to the structure interpreted to be the Senegal-Mali Fault Zone (SMFZ). Gold is found in oxidized and foliated siltstones at the contacts with carbonate units and diorite dykes. Large zones of intensely oxidized and sheared material contain quartz veins. The deepest drillhole drilled by Hyundai in 1998 intersected a 50cm zone of sulphides, pyrite, pyrrhotite and chalcopyrite, at a contact of silts and schists with limestone (Hyundai 2004).

Between 2001 and 3003, 228 RC drillholes were drilled for 13,609m. An unknown number of diamond drillholes were drilled after 2001. Not all the drillholes were drilled on the mineralization. No drillhole data is listed in the 2004 report. The best intersection prior to 2002 included 20m@1.62g/t Au. The highest grades intersected are given in Table 6.2.1_2. The average drillhole intersection width (not true width) is 3.7m. Overall it appears that the structure was not understood up to and including the 2001 campaign but was better understood once core was available. Grades are either very low or mineralized zones thin.

Table 6.2.1_2
Farabantourou
Significant Mineralization Intercepts from Reverse Circulation Drilling on sections Keniegoulou
(Gold intersections above a 0.5g/t cut-off)

Drillhole No	From (m)	To (m)	Intersection Width (m)	Grade (g/t)
RCSP468	10	12	2	1.90
RCSP470	37	42	5	1.93
RCSP471	26	28	2	3.75
RCSP505	19	39	20	1.62
RCSP506	74	76	2	3.04
RCSP544	27	31	4	5.90
RCSP544	73	75	2	6.07
RCSP803	16	19	3	5.02

Linnguekoto

Descriptions of Linnguekoto in the Hyundai reports suggest a complex volcano-sedimentary environment with mafic to intermediate intrusives, and volcanics and chert and additional felsic intrusives. Some outcrop has been mapped but the area is predominantly covered by laterite and transported soils. At Linnguekoto, 161 RC drillholes and 4 diamond drillholes were drilled for 10,096m and 770m respectively. Gold grades were low and mineralized zones thin.

Dambamba

There is almost no outcrop on the prospect and a laterite cap, 5m to 6m thick, covers the eastern and western portions of the prospect. The artisanal miners target a 1200m x1000m area of mottled clay underlying this laterite for gold (Figure 6.2.1_4).

Hyundai drilled 90 RC drillholes for a total of 7,070m. In the drilling campaign undertaken by Hyundai, siltstone and sandstone beds and dolerite dykes were intersected. The best Au intercepts made were (reported as drillhole length not true width):

Table 6.2.1_3
Farabantourou
Significant Mineralization Intercepts from Reverse Circulation Drilling on sections Dambamba
(Gold intersections above a 0.5g/t cut-off)

Drillhole No	From (m)	To (m)	Intersection Width (m)	Grade (g/t)
RCSP678	23	30	7	2.04
RCSP759	58	60	2	4.74
RCSP768	7	19	12	1.88
RCSP768	55	58	3	4.82

Figure 6.2.1_4
Artisanal workings at Dambamba

Kousilli

Only one intersection is reported. Drillhole RCSP408 intersected 4m@6.16g/t Au from 46m to the end of the drillhole. The drillhole was drilled towards the north whereas reconnaissance mapping in the area has revealed the strike to be north-north easterly. An incorrect

interpretation of the structural data and strike of soil anomalies could have led to poor drill planning.

Barani

No results are available for the Barani Prospect. The prospect is immediately west of Barani East. Between 2001 and 2003 152 RC drillholes were drilled for 11,644m.

General Comments

Problems with sample quality were encountered due to a shallow water table and correlating between drillholes was often not possible, suggesting discontinuous mineralized zones or a poor drill layout. It is apparent from the reports available that RC drilling was not the appropriate drilling method for this area, resulting in poor quality data and poor interpretation of the geology.

After Hyundai abandoned the Farabantourou area, Orezone Resources Inc of Canada acquired the permits and relinquished them in 2007 (Section 6.2). It is not known if any work was undertaken by Orezone on this property.

6.2.2 Artisanal Workings

There are small scale active artisanal workings at Dambamba and Linnguekoto on Farabantourou. Small diggings were also seen along a quartz vein (Figure 6.2.2_1). A small $1m^3$ pit was seen along the road near the vein displaying argillic alteration but again appears to have been abandoned (Figure 6.2.2_2). Extensive artisanal workings have taken place at Dambamba in the past (Figure 6.2.1_4)

Figure 6.2.2_1
Quartz Vein on Surface at Farabantourou

Figure 6.2.2_2
Argillic Alteration with Quartz Veins

6.2.3 Historical Mineral Resources

In the 2004 annual report to the DNGM-Mali, it is reported that Resource Services Group of Perth, Australia undertook a mineral resource estimate over the current Farabantourou area plus additional ground then held by Hyundai Mali SA "Inferred Resources" (JORC compliant) were estimated on several prospects. The largest of these mineral resources is at the Barani East prospect and estimated 745,000 tonnes@2.5g/t Au for 59,000 ounces of gold, based on 190 drillholes for a total of 13,603m of drilling. A second smaller mineral resource was estimated at Linnguekoto at 284,000 tonnes at 2g/t for 18,000oz gold. However, a review by TransAfrika of Hyundai's work has revealed serious shortcomings especially with regards to survey data. It appears that different teams in different years did not use the same reference system. As a result, unless the actual drillholes can be located in the field the locations are considered suspect. In addition documentation on the drilling programs is poor so that where drillholes are located in the field it is not obvious as to why the orientations are what they are. Verification of drillhole positions is required prior to any reinterpretation of Hyundai data.

6.3 Loulo-Est and Segala-Ouest

Exploration activities have been undertaken on parts of both the Loulo-Est and the Segala-Ouest permits prior to TransAfrika obtaining the permits. Some maps of the target areas were published but the maps had no coordinates and locations of all of the workings are not known with any certainty.

The Segala mine and Segala-Ouest area has been subjected to artisanal workings, both historical and current. In 1995 BHP minerals carried out soil sampling surveys over parts of Segala-Ouest and identified two soil anomalies. No further work was undertaken. In 1996 through early 1998, two junior companies Alpine Exploration Corporation and Resources Robex Inc. (Vancouver SE and Montreal SE listed companies) completed geological mapping, soil sampling and an induced polarization survey over part of the Segala-Ouest permit area

known as the Baroya concession, essentially the current Segala-Ouest permit area. Following these programs, 2 of 10 planned diamond drillholes were completed prior to the start of the rainy season. The program was not continued following the rainy season because of poor financial markets for gold companies and negative results from the initial two drillholes. Finally, a program of pitting and sampling was completed that outlined three zones of gold mineralization, the Baroya Nord, Baroya Central and the Segala Extension (Mitchell 2002).

The results of this work are summarized in a report for Great Quest Metals Ltd along with recommendations for a 1500m drilling program (Mitchell 2002). While the surface sampling and mapping were considered to have delineated legitimate targets the results of the drillholes were considered unreliable.

Great Quest Metals Ltd had rights to the Segala-Ouest permit area via an option Agreement from January 2001 (MacKay LLP, 2005) through 2007 and carried out some exploration activities on part of Segala-Ouest in 2003. Apart from this little work appears to have been carried out by Great Quest on this permit. Published data show that three diamond drillholes were completed on two target areas defined by previous owners' exploration. These targets included the Segala Extension (extension of the anomaly to the northeast of the current Segala Mine) and the Baroya North zone. Drillhole BY-01 tested the Segala Extension, drillholes BY-02 and BY-03 tested the Baroya North zone (GQL 2003)(Table 6.3_1), near artisanal working in central eastern part of the current Segala-Ouest permit.

Table 6.3_1
Segala-Ouest
Significant Mineralization Intercepts from Reverse Circulation Drilling on sections Segala Extension and Baroya North
(Gold intersections above a 0.5g/t cut-off)

Drillhole No	From (m)	To (m)	Intersection Width (m)	Grade (g/t)
BY-01	67	82	15	0.97
BY-2	55.5	59.5	4	1.92

6.4 Foulaboula

No historical exploration campaigns are known to have been carried out over this area. The only data available is from Government (DNGM) regional survey.

There are no artisanal workings on this property.

6.5 Cautionary statement

Information on historical workings has come from public domain documents. Except for a few trenches dug by Great Quest on Segala-Ouest and resampled by TransAfrika, this data cannot be directly verified as the drillhole core and RC chips are no longer available. Likewise Coffey has no access to the original assay certificates if they still exist. Coffey Mining is aware of the existence and location of data that could confirm the validity of the public reports

on the Farabantourou permit but to date access to this data has not been granted by Hyundai Corporation. The descriptions of mineralization and exploration results in the reports are consistent between authors and with those reported by operating mines in the area. It is considered that the results reported fairly represent the geology as understood by the operators of the exploration programs at the time.

7 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology

The area along the Senegal–Mali border is underlain by Proterozoic and Archaean rocks of the West Africa craton. The craton stabilized at approximately 1800Ma and is composed of the Reguibat shield to the north and the Leo or Man shield to the south. The Leo shield is built on an Archaean nucleus with the Baoul-Mossi (Proterozoic) domain forming the majority of the shield in the south west (Kusnir, 1999). This Baoul-Mossi domain contains inliers of Archaean rocks and Birimian formations which were deposited between 2300Ma and 1900Ma i.e. Lower to Middle Proterozoic. These Birimian rocks were affected by the Eburnean orogeny which was most active from 2000Ma to 1800Ma, peaking at approximately 1950Ma. One of these inliers is the Kéniéba Inlier, a north-northwest trending granite-greenstone belt which occurs along the Mali-Senegal border. The Kéniéba Inlier is comprised of Birimian volcano-sedimentary formations regionally metamorphosed to greenschist facies and intruded by large granitoid-gneiss complexes (Hyde, 2001).

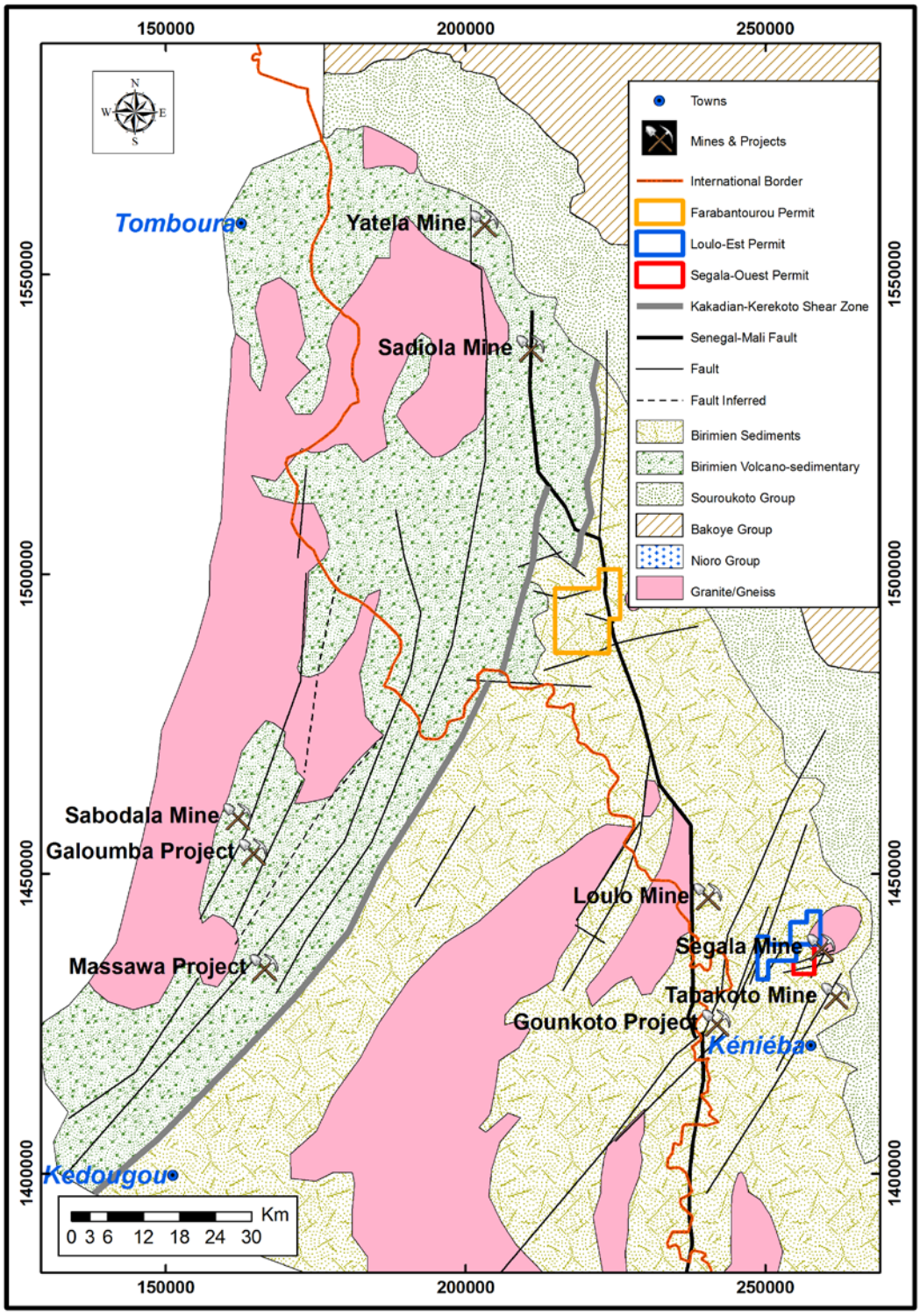
The Birimian formations can be subdivided into three main units:

- Lower Birimian:- comprised of an assemblage of fine-grained rocks with a large volcanoclastic component (Eisenlohr et al, 1992) and felsic to mafic volcanics (Hyde, 2001).
- Upper Birimian:- mostly basalts with some interlayered sediments (Eisenlohr et al, 1992), shales, siltstones and arkosic sandstones (Hyde, 2001).
- Tarkwaian:- coarse clastic sedimentary rocks (Eisenlohr et al, 1992) consisting of polymictic conglomerates and sandstones (Hyde, 2001).

During the intrusion of the granitoid-gneiss terrains, major north-northwest trending suture zones were formed. The SMFZ is interpreted to be such a suture and is the main structural feature of the Kéniéba Inlier (Hyde, 2001). Late Proterozoic to Permian dolerite dykes and sills were intruded into the basement rocks along late northeast trending faults and fracture systems, subsequent to the Eburnean deformation event.

In the Kéniéba Inlier most of the gold deposits are contained within secondary structures and splay faults associated with the SMFZ (Figure 7.1_1), often where southeast to northwest sutures cross-cut the dominant structural fabric. These zones are characterized by hydrothermally introduced mineralization within dilation zones with the gold deposits hosted by penetrative shears and not by a single structural feature. This implies that the whole region has great potential for the discovery of additional gold deposits (Hyde, 2001). Several well known gold deposits occur within the Kéniéba Inlier, these include Sadiola, Yatela, Tabakoto and Segala, Loulo and Sabodala. The locations of these deposits are shown in Figure 7.17.1_1.

Figure 7.1_1
Regional geology and Operating Mines in the Kéniéba Inlier



7.2 Mineralization

The style of gold mineralization on all of the permit areas is expected to be comparable to that found in the Sadiola, Segala and Tabakoto deposits (Section 15) in being related to faulting and/or fracturing. Mineralization may also be spatially related to the emplacement of intrusives. The gold mineralization is mesothermal in origin and occurs as free gold in quartz vein stockworks and zones of silicification, associated with arsenopyrite and to a lesser extends pyrite and antimony.

The Loulo Mine type deposit of tourmalinized sandstone is not expected in any of the areas. Likewise the polymetallic sulfide deposits similar to Sabodala are not expected.

7.3 Local Geology

Local geology is poorly known away from immediate mine areas. Thick laterite and soils cover make outcrop scarce and make high resolution aeromagnetic data essential for structural interpretation. Ground and geophysical mapping have only been carried out on a regional scale by national and international government agencies.

7.3.1 Dag-Dag

TransAfrika has not undertaken any geological mapping of the area. What is known is from government surveys and a report by Société Gestion Minière dated 17 June 1999. The area is covered largely by biotite granites and has a small unit of Birimian greywacke/arkose outcropping in western part of the permit (Figure 7.3.1_1). Some northeast trending structures parallel to the regional trends hosting gold mineralization have been interpreted near the granite/Birimian contact. The Birimian in outcrop is predominantly meta-greywackes and forms low ridges with lateritic alteration on surface. The granite seen in outcrop does not show any signs of alteration and forms large boulders of several to tens of tonnes on surface.

The interpreted geology shown in Figure 7.3.1_1 shows the area to be mostly covered by granite. Substantially more sediment was seen on the ground along the road that passes through the property during field visits however.

7.3.2 Farabantourou

The preliminary geological interpretation has been made from the regional aeromagnetic data and regional geological maps (Figure 7.3.2_1). A north-northwest – south-southeast striking structural discontinuity forms the contact between the western sedimentary units and the eastern volcano-sedimentary units. This feature has been interpreted to be part of the SMFZ (Section 7). North-northeast striking dykes cut through the parts of the permit.

The silicilastic sediments to the west of the SMFZ, consisting of sandstones, siltstones and conglomerates belong to the Keniebandi Formation. Coarse grained sandstones and conglomerates have a significant volcanic content and appear to grade into rhyolitic pyroclastics and lavas to the west.

Siliciclastic sediments underlay the largest part of the permit. Sandstones, siltstones and conglomerates form the bulk of the siliciclastic sedimentary rocks. Mafic volcanic rocks cause magnetic highs in the north-eastern part of the permit. Faulting is prominent throughout the permit area.

Figure 7.3.1_1
Interpreted Geological Map of the Dag-Dag Permit

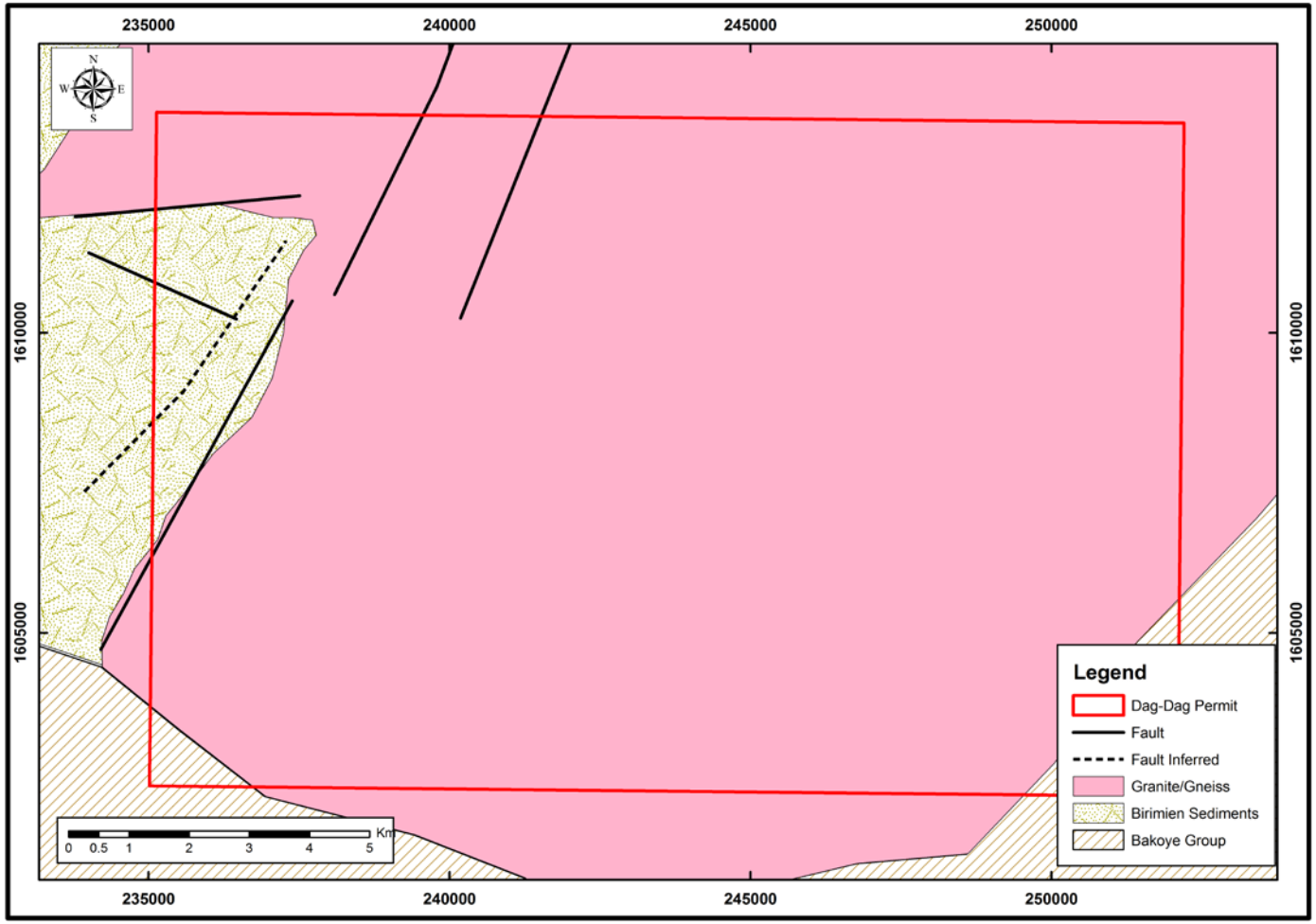
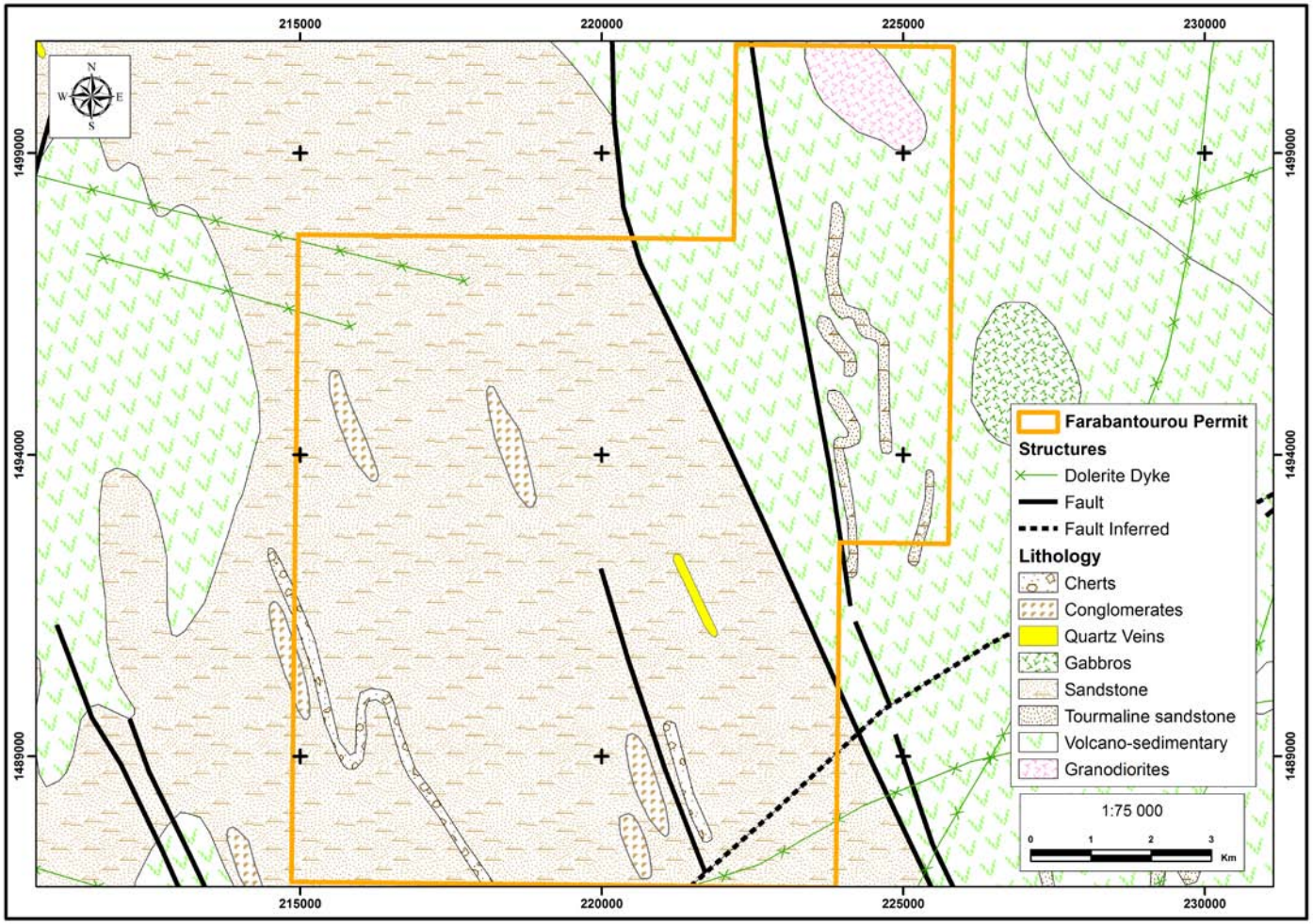


Figure 7.3.2_1
Interpreted Geology of the Farabantourou Permit



7.3.3 Loulo-Est and Segala-Ouest

Outcrop in the area is poor due to thick cover by alluvium and laterite. North-south, north-northeast and west-northwest trending structures were identified from the regional aeromagnetic maps, induced polarity and resistivity data collected by TransAfrika. A preliminary geological interpretation has been made by TransAfrika from the regional aeromagnetic data and regional geological maps. Clastic sediments and felsic to mafic volcanics intruded by monzo-granite in the northeast underlie the area (Figure 7.3.3_1). Felsic dykes intrusive into the clastic sediments were exposed in trenches on Segala-Ouest. Aeromagnetic data have been interpreted to show two phases of deformation, an early phase of deformation related to the intrusion of the monzo-granite batholith and a later phase of deformation resulting from north-northeast – south-southwest directed crustal shortening.

Some regolith mapping has been undertaken in conjunction with the soil sampling campaigns. This data is still to be evaluated.

7.3.4 Foulaboula

The permit is covered by thick laterite. From regional geological interpretations it is concluded that siliciclastic sediments interlayered with felsic volcanics largely underlie the area (Figure 7.2.4_1). Mafic volcanics in the north and granites in the west and south underlie a smaller portion of the permit. Northwest–southeast striking structural discontinuities mark the contacts between the different formations. Younger faults strike northeast-southwest over the permit.

Only two soil anomalies from the Malian government dataset plot within the permit. The anomalies are spatially associated with the western mafic volcanics - meta-sediment contact and both plot on northeast striking faults (Figure 7.3.4_1). The soil sampling data was collected on a line spacing of 1,000m and sample spacing of 200m.

Figure 7.3.3_1

Interpreted Geology of the Loulo-Est and Segala-Ouest Permit Areas.

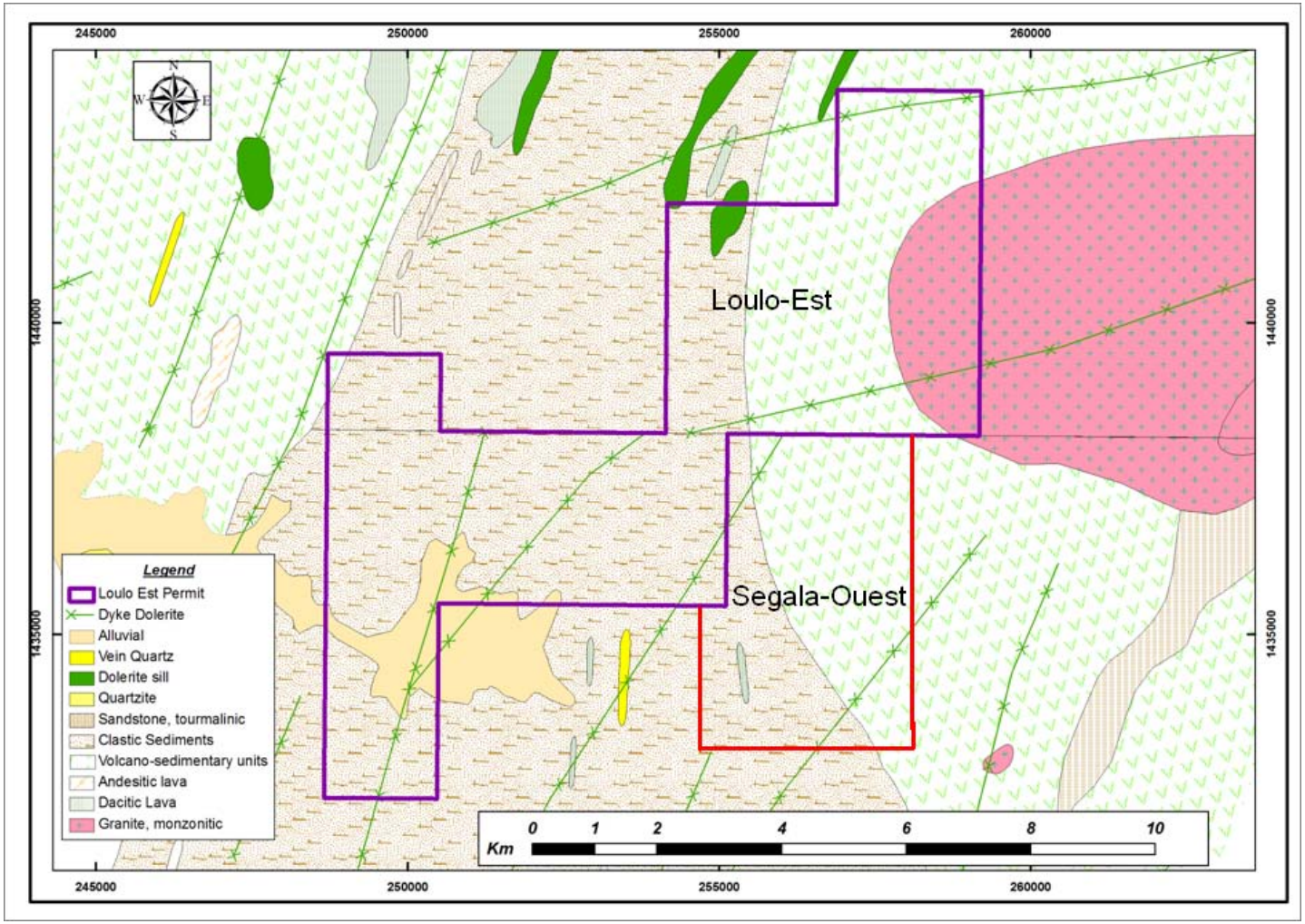
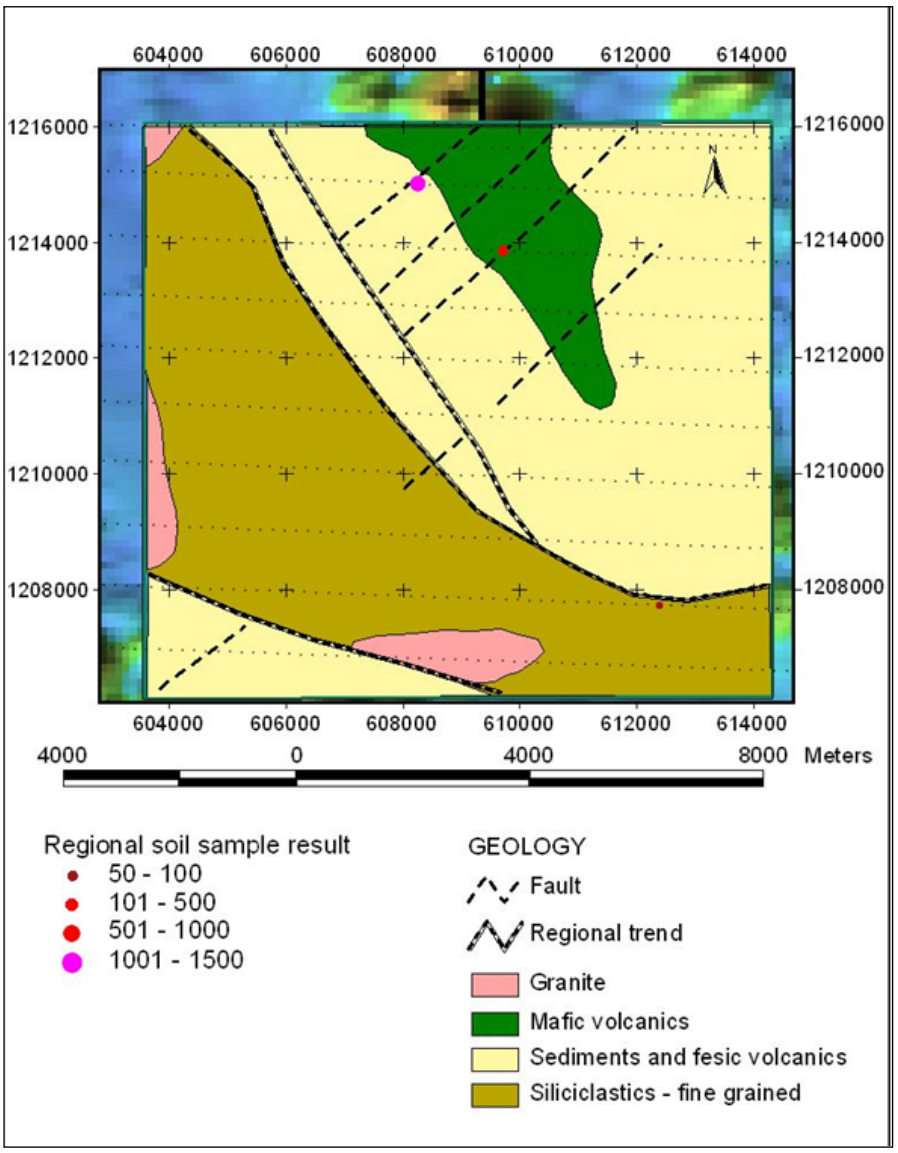


Figure 7.3.4_1

Interpreted Geology of the Foulaboula Permit Area showing Regional Soil Sample Results



8 DEPOSIT TYPES

The principal exploration targets and focus of exploration to date is what can most appropriately be termed orogenic gold. Common sub-types of this class of deposit include lode, quartz vein and shear zone-related gold, with the underlying similarity being that they all formed as part of an orogenic (collisional) tectonic event. Other terms used to describe the deposits are mesothermal, shear zone hosted and Greenstone gold deposits. The term mesothermal deposits are used because the primary deposits are formed at intermediate depths in the earth's crust. Shear zone hosted refers to the fact that the larger deposits are often in or immediately adjacent to large fault zones (i.e. Ashanti), Greenstone gold deposits is hosted in volcano-sedimentary terranes with granitic intrusions, metamorphosed to greenschist facies metamorphic grade and usually Archean in age. This term is applied to the Birimian in West Africa due to the similarities in the geology to the Archean gold deposits.

Orogenic gold deposits can be described as gold-bearing quartz veins, stringers and wallrock accompanied by only minor sulphides that are localized by brittle to ductile structures within variable rock types.

These deposits account for up to 18 percent of the world's gold production, ranking them second only to production from placer deposits. Deposits range in size from 0.5t to 1,600t of contained gold with most, typically, containing between 1t and 20t Au. Gold grades are highly variable, but values of >1ppm(g/t) Au for open-pit and >5ppm(g/t) Au for underground operations can be economic. World-class orogenic gold deposits of this type occur in various countries, including Australia, Brazil, DRC, Canada, Ghana, Tanzania, the USA and Zimbabwe.

The rock types that host orogenic gold deposits are highly varied. Orogenic gold deposits are hosted by rocks that have been subjected to a range of metamorphic conditions (from sub-greenschist though to granulite facies). However, the majority of deposits (and especially the larger ones) occur within rocks that have been metamorphosed to greenschist facies (within a metamorphic pressure-temperature regime broadly corresponding to the brittle-ductile transition).

Where gold deposits have been described, the nature of the gold distribution was found to be highly variable between deposits. Mineralization occurs in swarms of discontinuous veins of varying thickness and extent and as disseminated impregnations in sheared and altered rock. Gold occurs as native gold and/or associated with sulphides, with pyrite and arsenopyrite being the most commonly reported. Veins may follow brittle fractures, bedding planes, shear zones and schistosity.

9 EXPLORATION

9.1 Introduction

Exploration work by TransAfrika has been aimed at identifying targets for resource drilling on the various permit areas. Dag-Dag Farabantourou, Loulo-Est, Segala-Ouest and have been subject to exploration campaigns for commercial deposits in the past. Foulaboula has some regional soil sampling and mapping data. Exploration by TransAfrika has concentrated on Farabantourou, Loulo-Est and Segala-Ouest. Each of these has known gold anomalies and Loulo-Est and Segala-Ouest are adjacent to operating gold mines. Only reconnaissance work has been undertaken on Foulaboula.

Exploration work carried out up until May 2011 by TransAfrika on the various permits included the following;

- Soil geochemical surveys,
- regolith mapping,
- trenching,
- hard rock grab and channel sampling of trenches, workings, outcrops and floats
- IP surveys,
- a ground magnetic survey,
- auger drilling and sampling,
- drilling producing both RC destructive sampling (chips) and core

All data and results have been compiled and further work planned over potential targets.

9.2 Dag-Dag

Only historical data is available for this Permit area and includes

- Satellite imagery covering the area
- Maps of regional soil sampling from the Malian Government (DNGM)
- Regional aeromagnetic data
- Results of exploration by Société de Gestion Minière.

9.2.1 Soil Sampling

During February 2011 a soil sampling program was completed. The soil samples were collected on east west-striking lines spaced 400m apart and samples were taken at 100m intervals. A total of 595 soil samples, including standards for quality analysis and control (QA/QC), were collected and submitted to SGS Laboratory in Kayes for analysis for Au using the Fire assay method. The results were disappointing; with only three samples reporting values over 100ppb. One sample assayed at 3,954ppb Au, with a repeat assay of 2,254ppb Au. Termination of the exploration program on the Dag-Dag permit is recommended.

9.2.2 Site Visit

The Dag-Dag site was visited on 23 June 2010. The area is generally flat and covered with alluvium and transported sand. Two ridges of lateritized Birimian meta-greywacke were seen

on the property. Granite outcrops over a large area. Cursory inspection of these rocks shows no large scale or pervasive alteration except for the lateritization of the greywackes. This was confirmed by the TransAfrika geologist for the bigger permit area..

A satellite image from Google Earth™ shows a wider area of transported sediments, alluvial and aeolian, than is evident on the ground surface.

9.3 Farabantourou

The Farabantourou Permit area is approximately 50km south of the Sadiola Mine and 40km from the Senegal border to the west.

Data acquired by TransAfrika includes:-

- Satellite imagery covering the area.
- Regional aeromagnetic and radiometric data
- Regional soil sample data (BRGM)
- Public domain data from the Hyundai Mali S.A. exploration program, 1998 to 2004. Activities included soil sampling and RC drilling.
- Fieldwork and regional soil sampling by TransAfrika. The soil samples were collected on east-west striking lines spaced 400m apart and samples were taken at 100m intervals on the lines. The survey was restricted to the southern and western part of the permit.
- Infill soil sampling. Samples were taken on 100m spaced lines and on a sample interval of 50m. Sampling was completed in an east - west and on a south-southwest – north-northeast grid.
- First phase of RC drilling of the gold anomalous zone. Ten drillholes were completed.
- An IP survey has been completed by Spectral Geophysics.
- Analysis certificates for Au of the soil sampling and RC drilling programs.

9.3.1 Soil Sampling

Regional soil sampling undertaken by TransAfrika started in November 2008. The soil samples were collected on east - west striking lines spaced 400m apart and samples were taken at 100m intervals on the lines. The survey covered the western and part of the southern half of the permit. Infill soil sampling started in June 2009. Samples were taken on 100m spaced lines and on a sample interval of 50m. Sampling was completed in an east – west direction (Figure 9.3.1_1). Further infill soils sampling was completed on a south-southwest – north-northeast grid.

A total of 2,223 soil samples including field duplicates and reference standards were collected and assayed. Anomalous gold in soil includes values of 441ppb Au, 502ppb Au and 1,683ppb Au. A 3,500m zone of discontinuous gold-in-soil anomalies coincide with a northwest-southeast striking magnetic high (Figure 9.3.1_1, 9.3.1_2 and 9.3.1_3). The north-western part of the anomaly coincides with the Kousilli prospect of Hyundai.

Figure 9.3.1_1

Soil Geochemical Results Overlain on the Aeromagnetic Data on the Farabantourou Permit

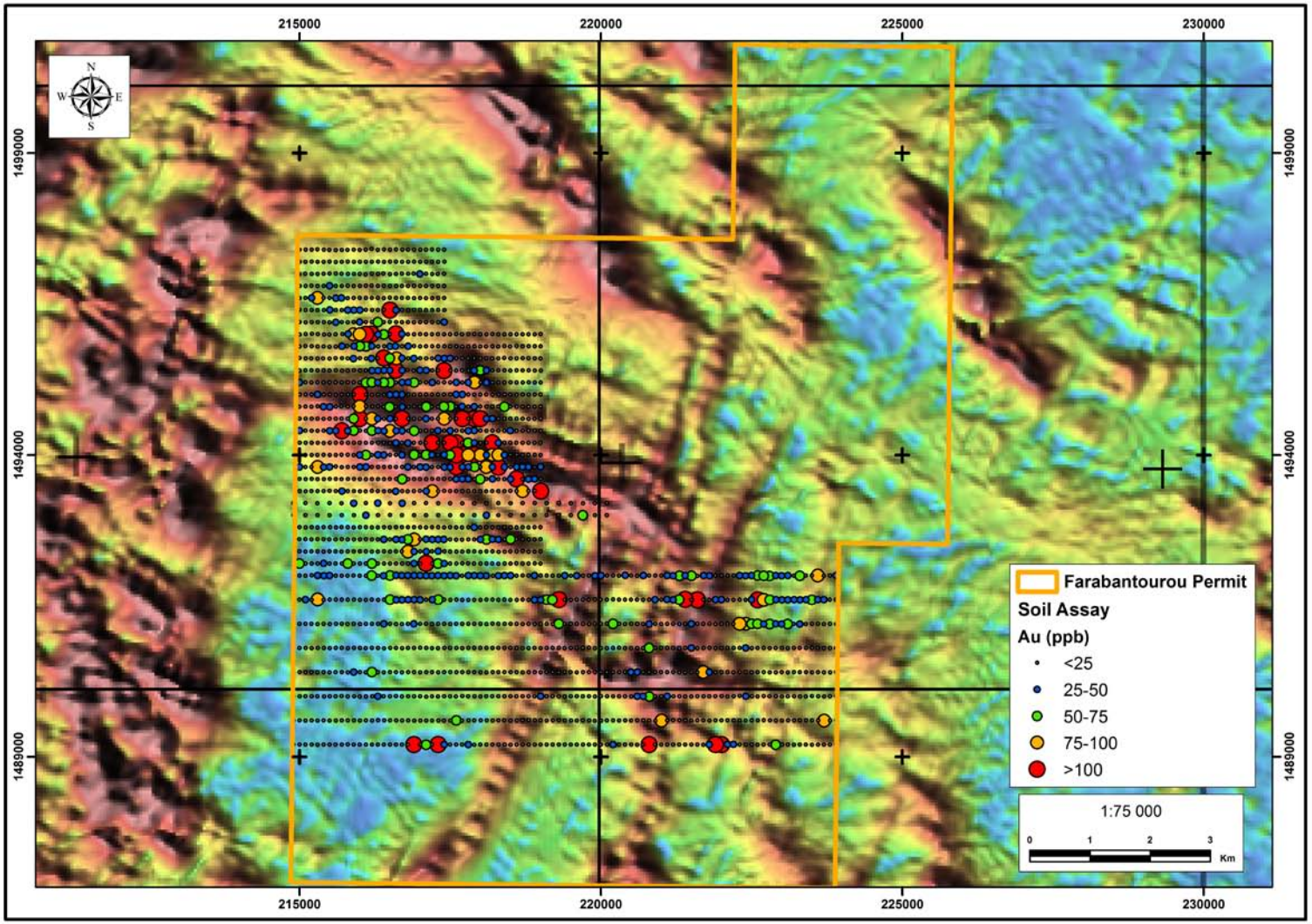


Figure 9.3.1_2

Soil Geochemical Results Overlain on the Interpreted Geology map of the Farabantourou Permit

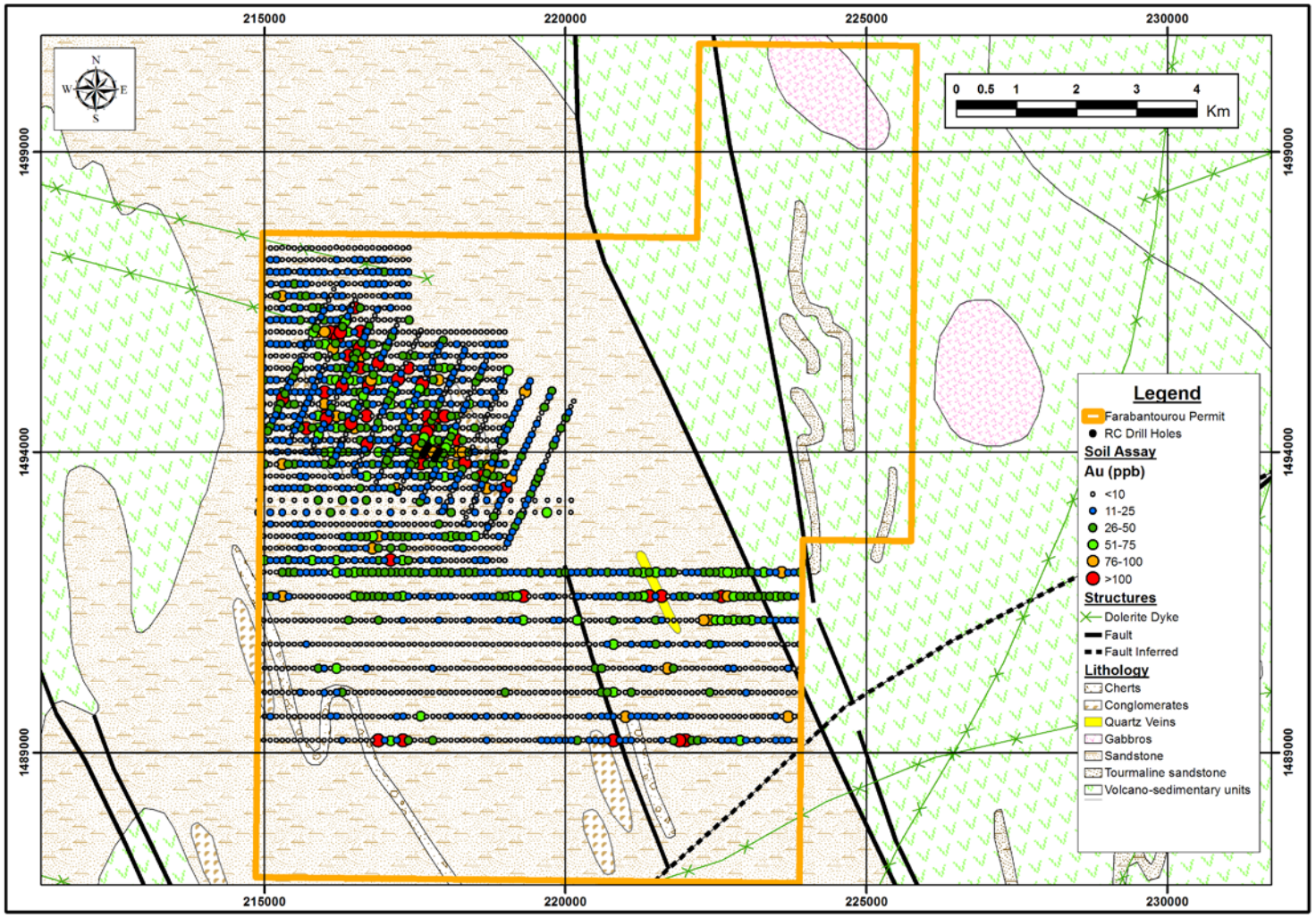
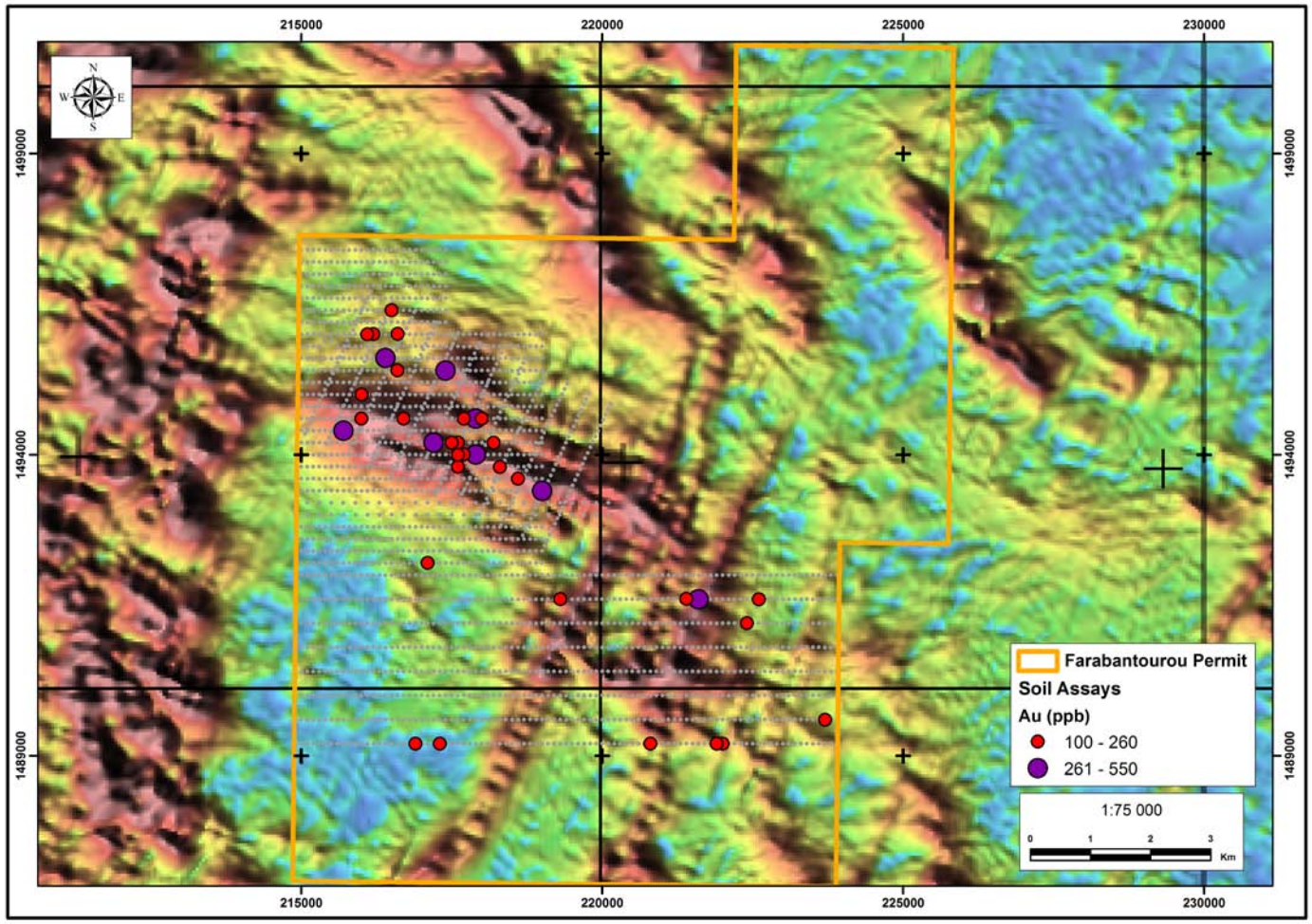


Figure 9.3.1_3

Soil Geochemical Results (Au >100ppb) with Infill Sampling Overlain on the Aeromagnetic Data on the Farabantourou Permit



9.3.2 IP Surveys

An IP survey was completed by Spectral Geophysics, a geophysical consulting company from Botswana. The survey, completed in early January 2010, was done over 19 grid lines, with 47 line kilometres of IP data collected. All data were received and modelled.

The -45m chargeability depth slice defines north–south and northeast trending structures (Figure 10.3.2_1). On the -105 and -160m (Figures 9.3.2_2 and 9.3.2_3) chargeability depth slices reflect north to north-northwest, north-northeast and northeast trending structures, with a possible fold closure in the west. Soil anomalies coincide with structures interpreted from the chargeability maps in 5 areas on the grid (9.3.2_4).

Figure 9.3.2_1

Map Showing the -45m Chargeability Depth Slice with Interpreted Structures on the Farabantourou Permit

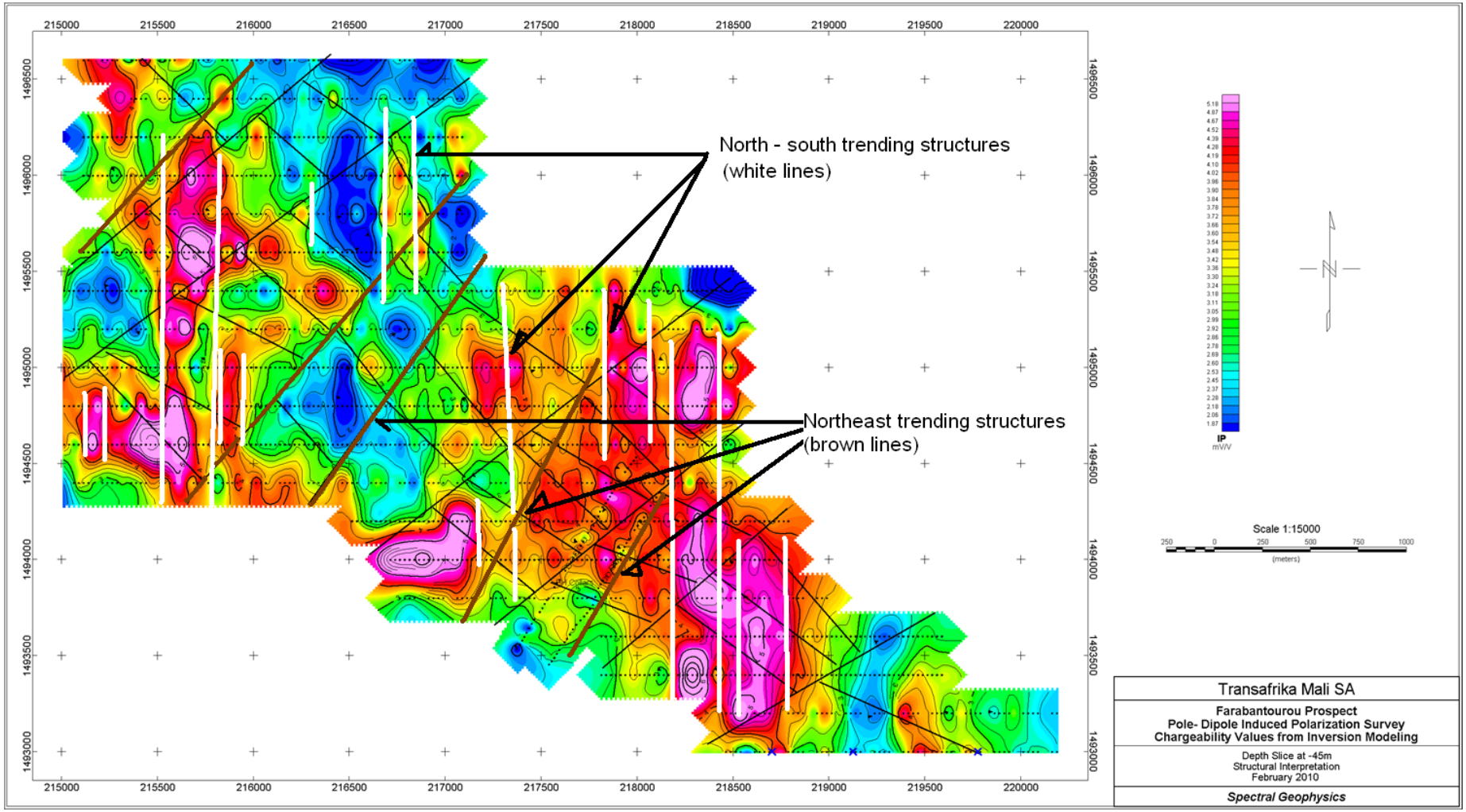


Figure 9.3.2_2

Map Showing the -105m Chargeability Depth Slice with Interpreted Structures on the Farabantourou Permit

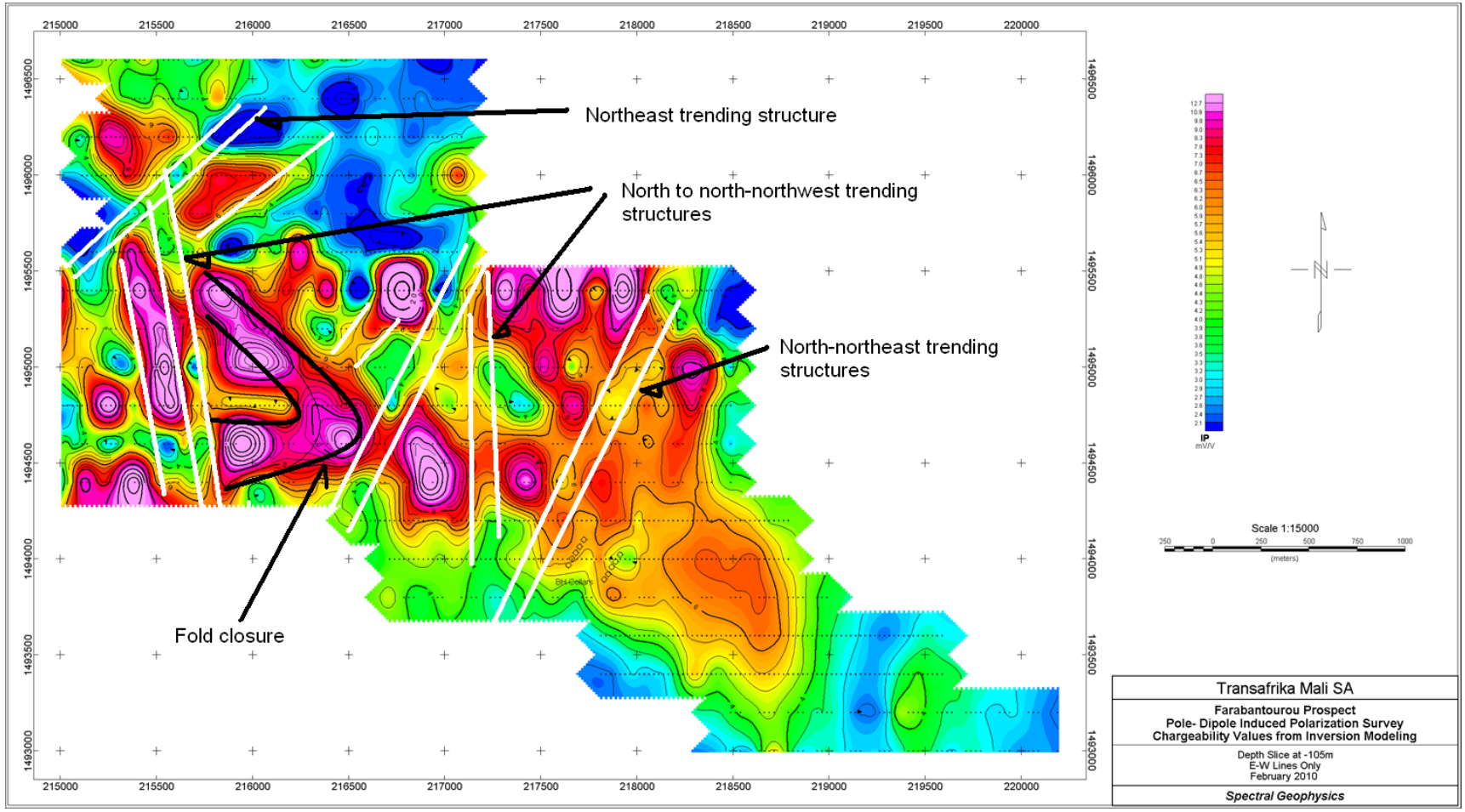


Figure 9.3.2_3

Map Showing the -160m Chargeability Depth Slice with Interpreted Structures on the Farabantourou Permit

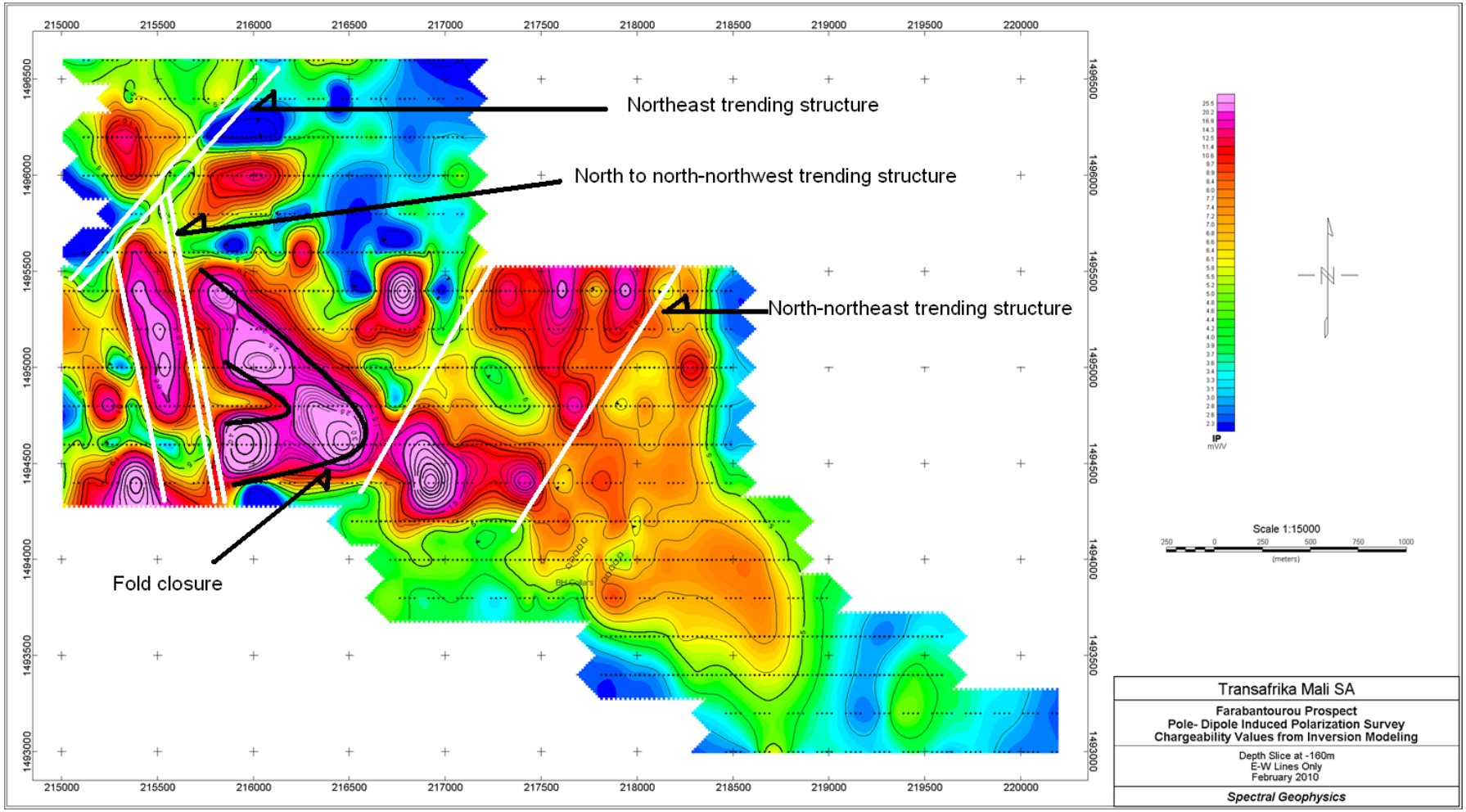
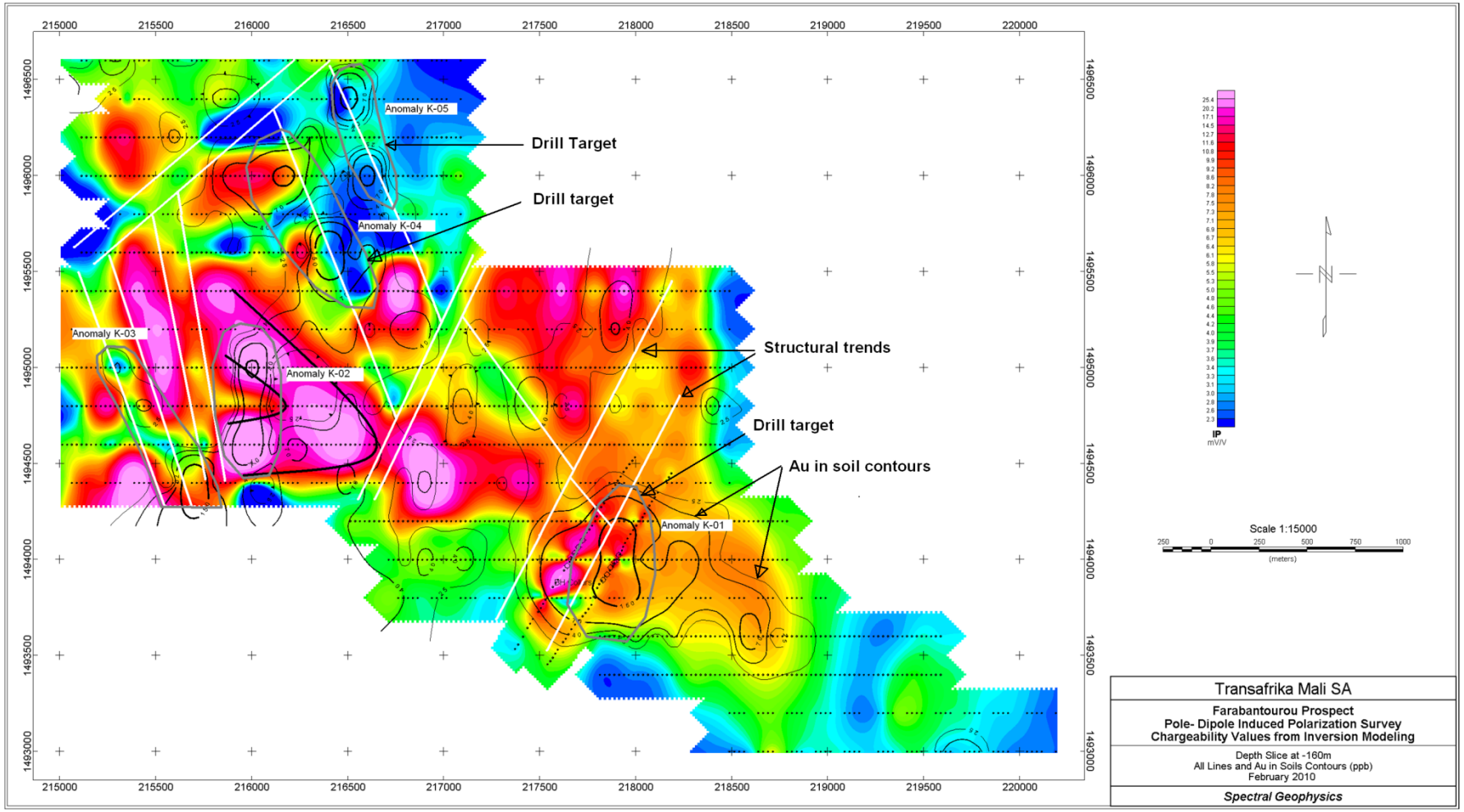


Figure 9.3.2_4

Map Showing the - 160m Chargeability Depth Slice with Au Soil Contours, Interpreted Structural Trends and Anomalies Farabantourou Permit



9.3.3 Site Visit

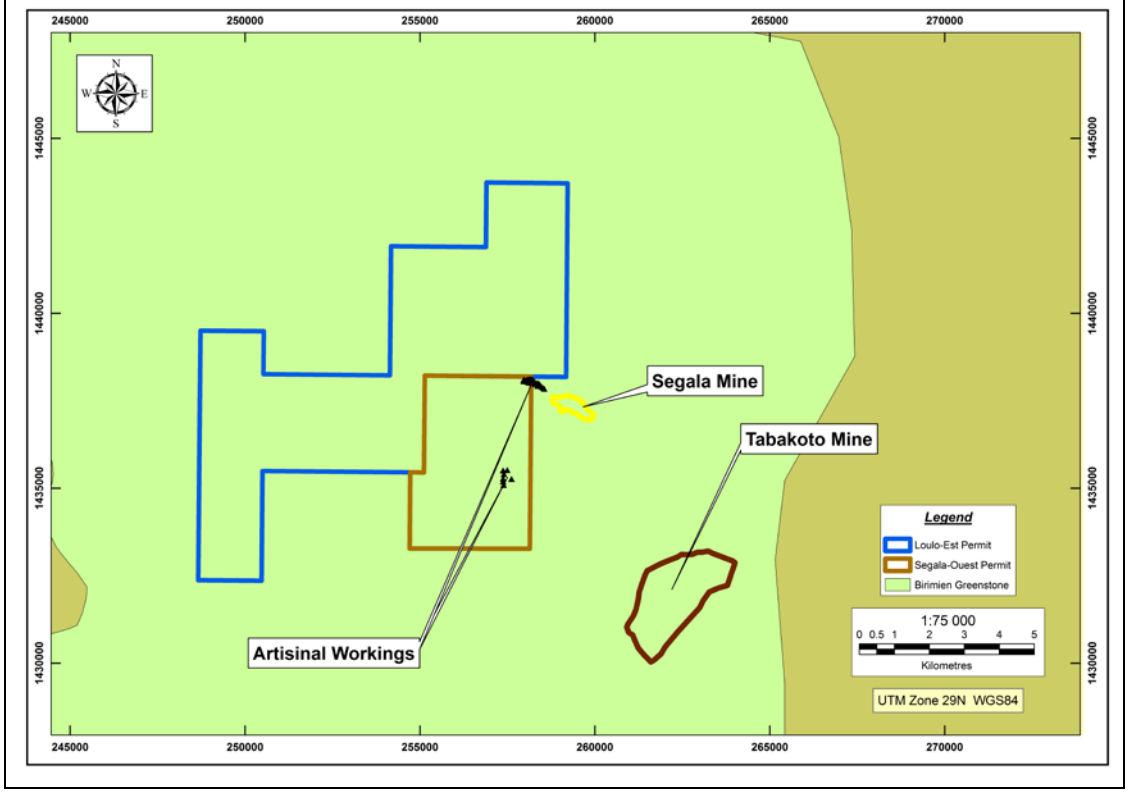
The site visits to Farabantourou concentrated on the Barani east area, where evidence of the Hyundai drilling was clear, and a brief drive around the property to drill sites (Figure 9.3.3_1). The area is covered by soils and laterite and the vegetation had already started to cover most of the ground. In the areas where Hyundai was active still have drillhole collars marked. There is evidence of pitting and some artisanal workings on the permit. In the area where TransAfrika drilled the ten RC drillholes there is some outcrop showing schistose fabrics in the meta-sediments.

Figure 9.3.3_1
Hyundai drillhole drilled at Barani East in 2001 Farabantourou Permit

9.4 Loulo-Est and Segala-Ouest.

The permits are immediately adjacent to one another (Figure 9.4_1) and cover a combined area of 68km^2. Randgold's Loulo Mine is to the northwest of the permits, while Avion's Segala Mine and Tabakoto Mines are directly east and southeast of the permits, respectively.

Figure 9.4_1
Loulo-Est and Segala-Ouest Permits



In addition to regional geological and geophysical maps from public sources, site specific data acquired or collected by TransAfrika and used in the interpretation of the geology of the permit areas to date include for Loulo-Est:-

- Regional soil sampling by TransAfrika. The soil samples were collected on east west-striking lines spaced 400m apart and samples were taken at 100m intervals on the lines. The program covered the entire permit area.
- Infill of the regional soil sampling by TransAfrika. Samples were taken on 200m spaced lines and on a sample interval of 50m. Sampling was completed on two infill grids.
- A ground magnetic survey was completed by TransAfrika over the northern part of the permit area.
- A total of 3 trenches were dug over soil anomalies identified in the soil sampling program.
- A total of 168 auger drillholes to test the soil anomaly zones were completed.
- An IP survey has been completed by Spectral Geophysics for TransAfrika in 2009.
- 60 RC drillholes, totaling 5 820m were drilled by TransAfrika in 2009 targeting soil anomalies.

- Some 2 390m of diamond drilling in 12 drillholes were completed.
- Analyses for Au were undertaken on the samples from soil sampling, trenching, auger drilling, RC drilling and diamond drilling programs.

In addition to regional geological and geophysical maps from public sources, site specific data acquired or collected by TransAfrika and used in the interpretation of the geology of the permit areas to date include for Segala-Ouest:-

- Soil sampling data over parts of the permit at line spacings of 100,200 or 400m and sample spacings of 25m to 100m-
- Mapping of the locations of artisanal workings on the permit.
- 18 trenches were prepared and sampled.
- Analysis for Au on samples from the soil sampling and trenching program.

9.4.1 Soil Sampling

Regional soil sampling over the entire Loulo Permit was completed by TransAfrika in 2008. A total of 1,693 soil samples including field duplicates and reference standards were collected on Loulo-Est and assayed at the SGS-Lakefield Laboratory in Kayes, Mali. These soil samples were collected on east-west striking lines spaced 400m apart and samples were taken at 100m intervals on the lines. Gold-in-soil anomalies were identified and cluster in the northern part of the Loulo-Est permit. From the results of the regional soil sampling, two areas were selected for follow–up exploration. Sampling on 200m line spacing with 50m sample intervals was completed (Figure 9.4.1_1). On Loulo-Est, anomalous gold in soil includes high values of 6,423ppb Au, 6,023ppb Au, 2,853ppb Au and 2,750ppb Au.

Two grids at 100m line and 25m sample spacing were covered by soil sampling on Segala-Ouest (Figure 10.4.1_2). The first grid tested the area west and to the north of the Southern Artisanal workings. The second grid is a southward extension of the Loulo-Est soil sample grid onto Segala-Ouest. A total of 1,281 samples, including standard reference material, were submitted to the SGS-Lakefield laboratory in Kayes for analysis.

On Segala-Ouest, gold values in the soils are of a high tenor on both grids with 16% of the samples assaying above 100ppb and individual samples containing up to 10g/t Au.

Anomalous gold values are scattered over the grids on both Segala-Ouest and Loulo-Est (Figure 9.4.1_2 and 9.4.1_3). On Loulo-Est only the northern portion hosts soil anomalies of interest. The gold grades in the soil samples in the southern portion are at background levels. Standard contouring of the soil data shows no well defined anomalies or trends (Figure 9.4.1_3). However using geostatistical estimation techniques, one strong anomaly trending at 040° and several weak anomalies at 140° have been defined (Figure 9.4.1_4- Datamine^{TM} images). Gold distribution has been estimated using an inverse distance weighting into 50m blocks and search ellipses of X=400m,Y=900m, rotated by 20° increments to identify trends. The 40° and 140° degree directions were chosen visually as being the best estimates.

Figure 9.4.1_1
Soil Geochemical Sampling over the Loulo-Est and Segala-Ouest Permit

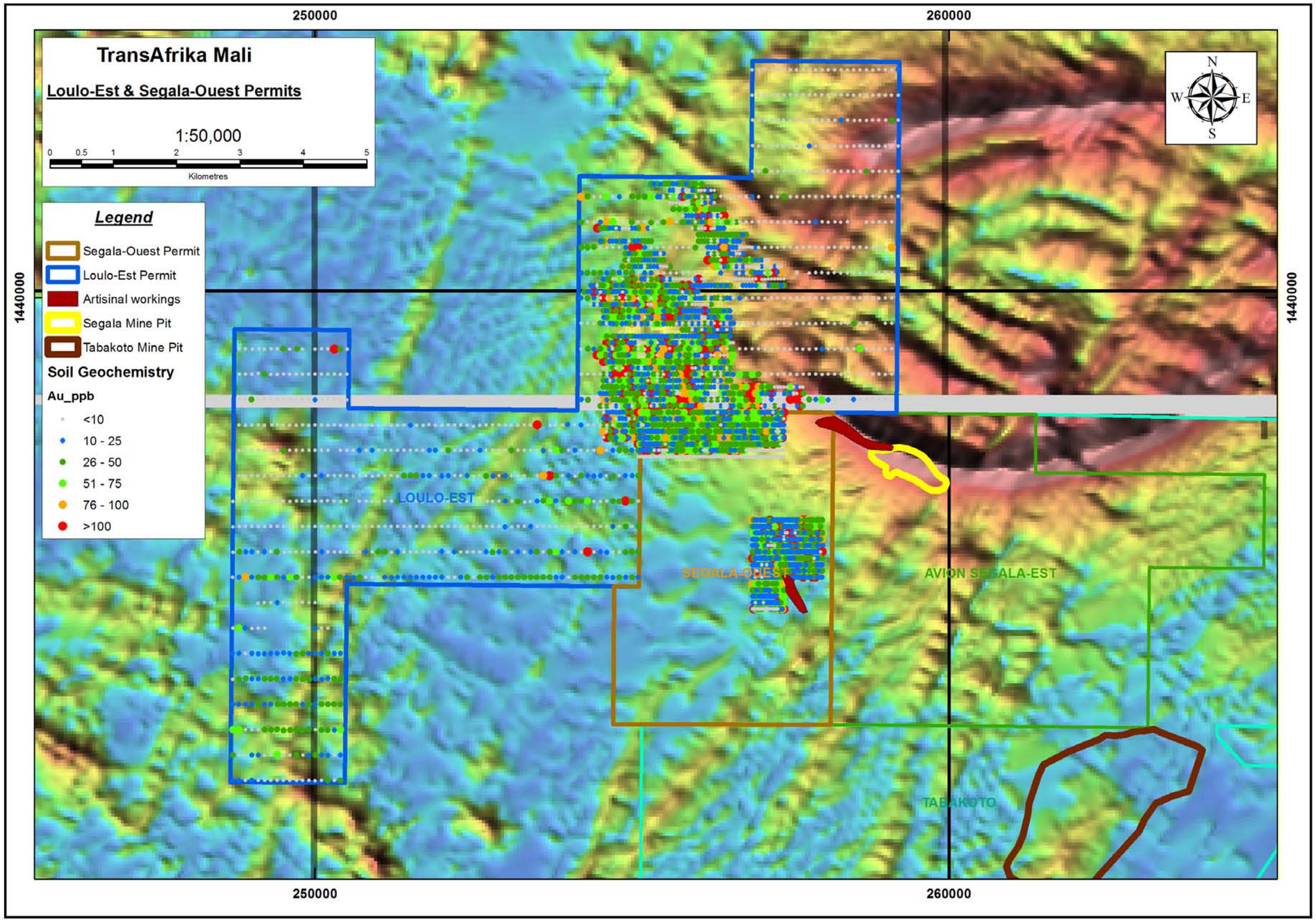


Figure 9.4.1_2

The Gold in Soil Anomalies on Loulo-Est and Segala-Ouest Overlain on Aeromagnetic Map Results >100ppb

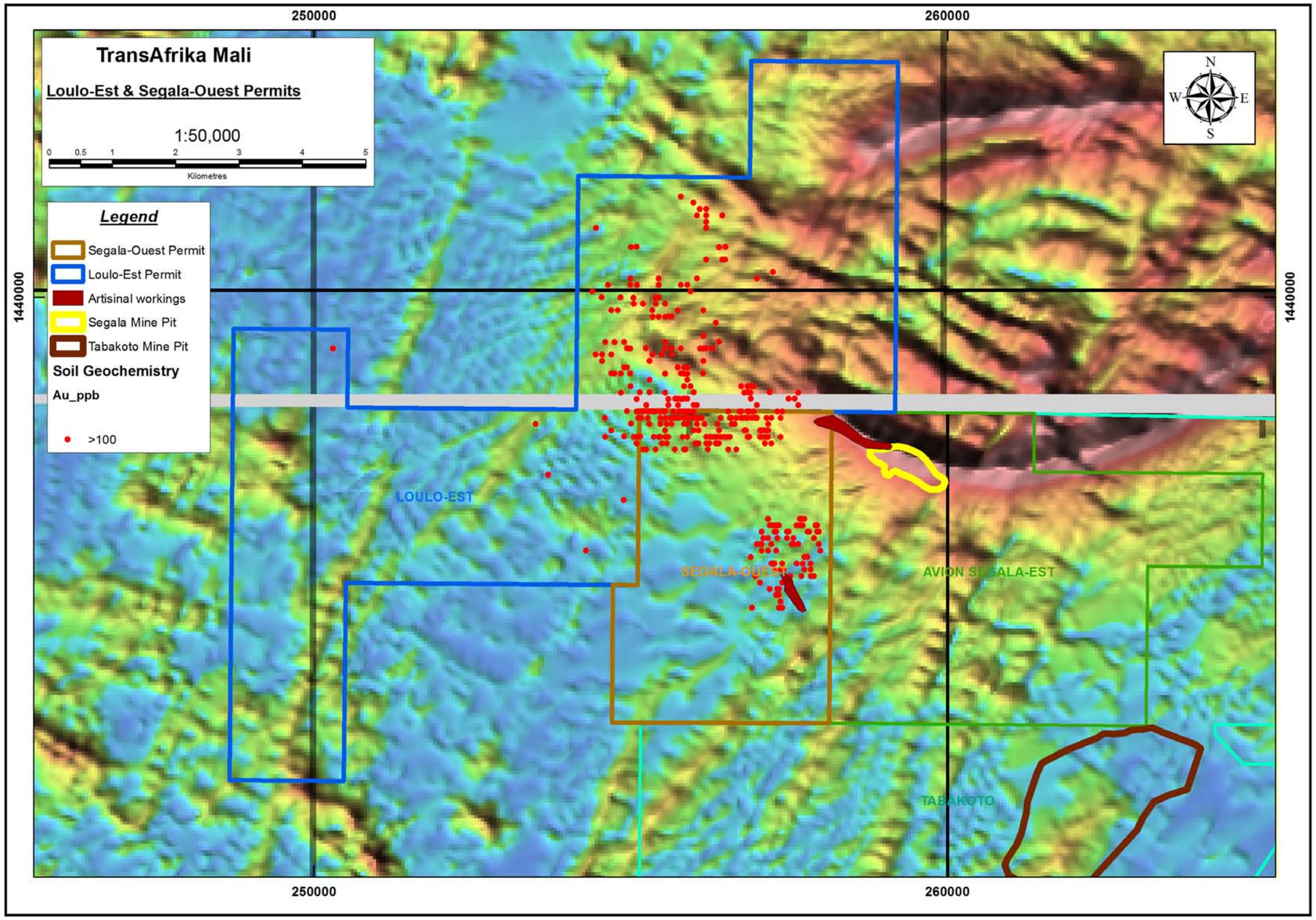


Figure 9.4.1_3

Aeromagnetic Map with the North-Northeast Trending Structures Indicated and Soil Anomalies Identified by Contouring Results on Loulo-Est Permit

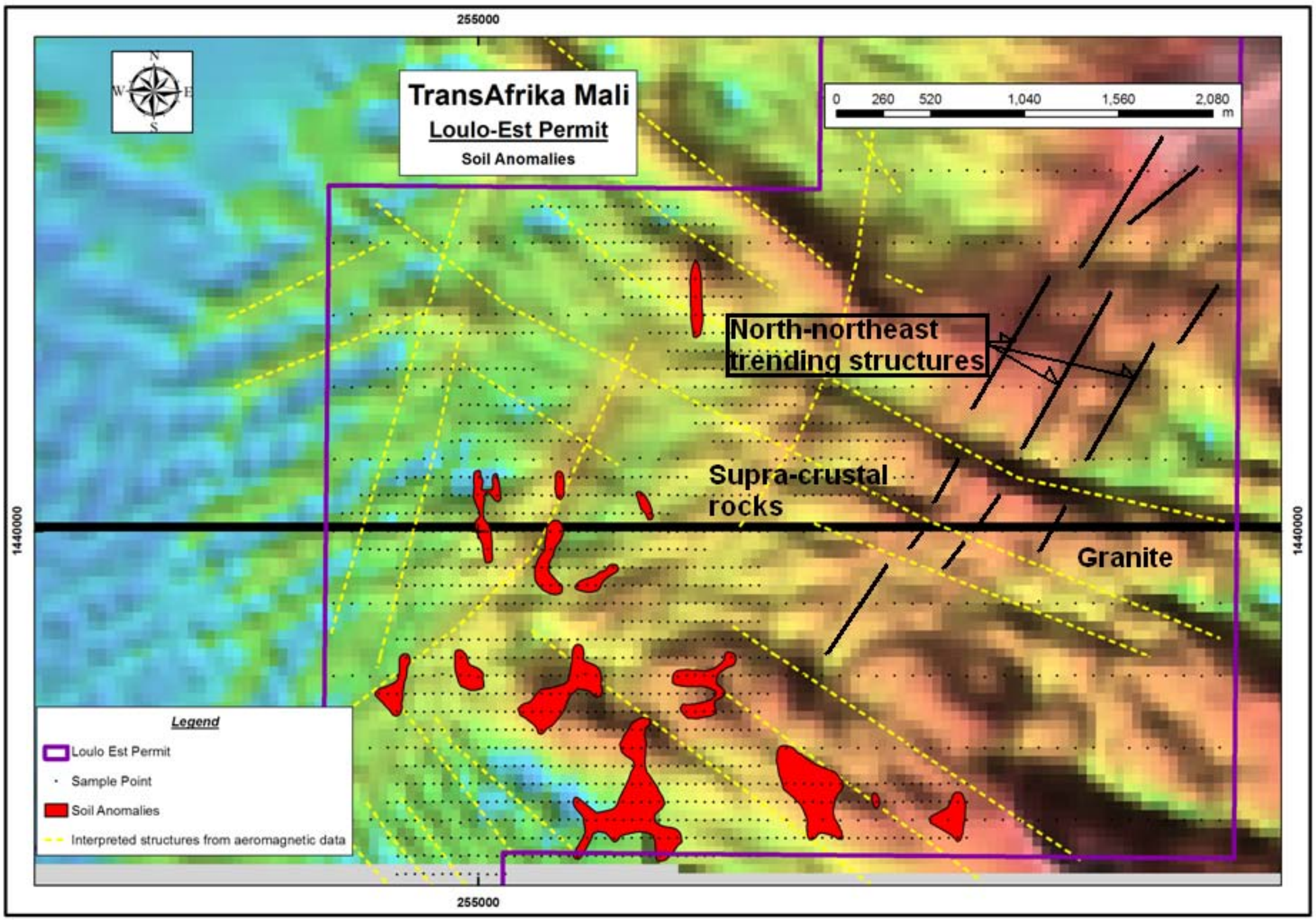
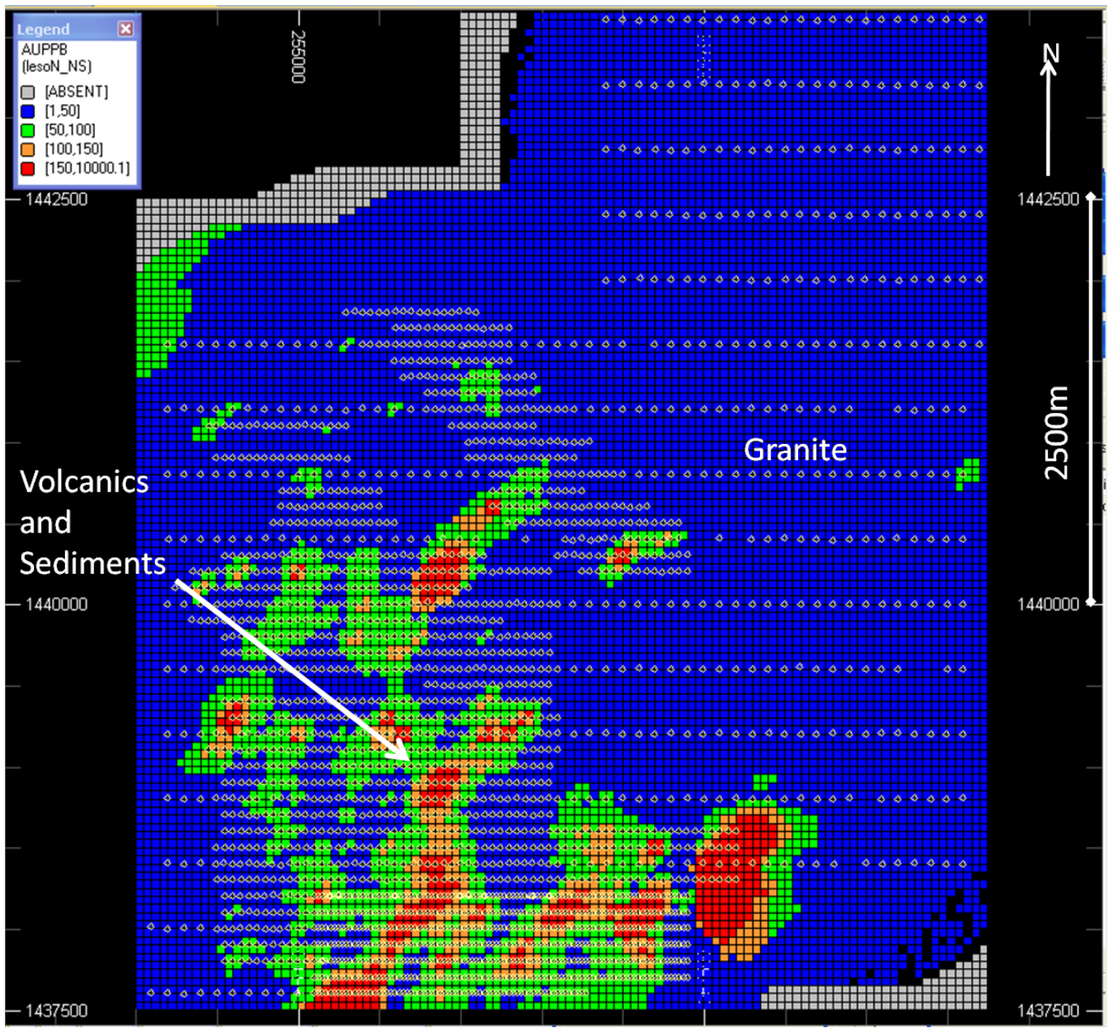
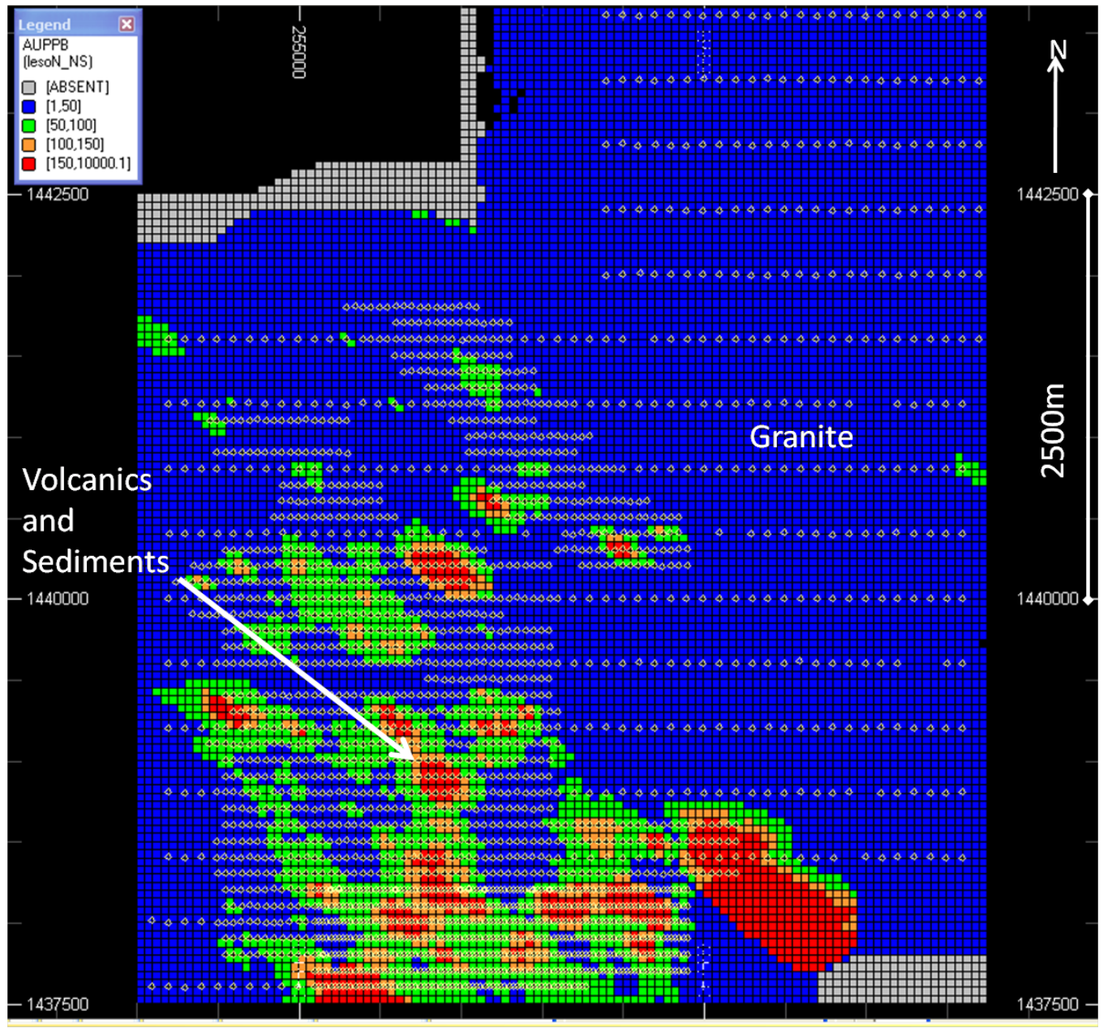


Figure 9.4.1_4
Datamine™ Plots of Loulo-Est and Segala-Ouest Soil Sampling (UTM Zone 28)





9.4.2 Trenching and Auger Drilling

Twenty one trenches were dug over soil anomalies on the two permits totaling 1,236m in length yielding 2,607 samples. On Loulo-Est Trench 003 returned significant values. Gold was found to be associated with quartz veins and no shearing was observed in the trenches. On Loulo-Est, trenching was followed by auger drilling. Some 248 auger samples were collected (Figure 9.4.2_1). Auger drilling failed to identify specific drill targets within the broad soil anomalies.

Trenching on Segala-Ouest over Exploration Targets 2 and 3 yielded encouraging results. (Figure 9.4.2_2). On Target 2, defined by artisanal workings, northwest trending aeromagnetic linear and soil anomalies were sampled by trenching yielding mineralized intervals of 4m@1.23g/t and 1m@3.84 g/t. On Target 3 the mineralized intervals sampled in trenches include: 1.69g/t Au over 8m, 1.96g/t Au over 4m and 1.15g/t Au over 1m in trench Trench18 and 1.37g/t Au over 3m, 2.92g/t Au over 1m and 1.45g/t Au over 1m in trench Trench19.

Where laterite cover allows trenching can be used to confirm mineralization on exploration targets.

Figure 9.4.2_1
Location of the Auger Drill Samples and Trenches on Loulo-Est

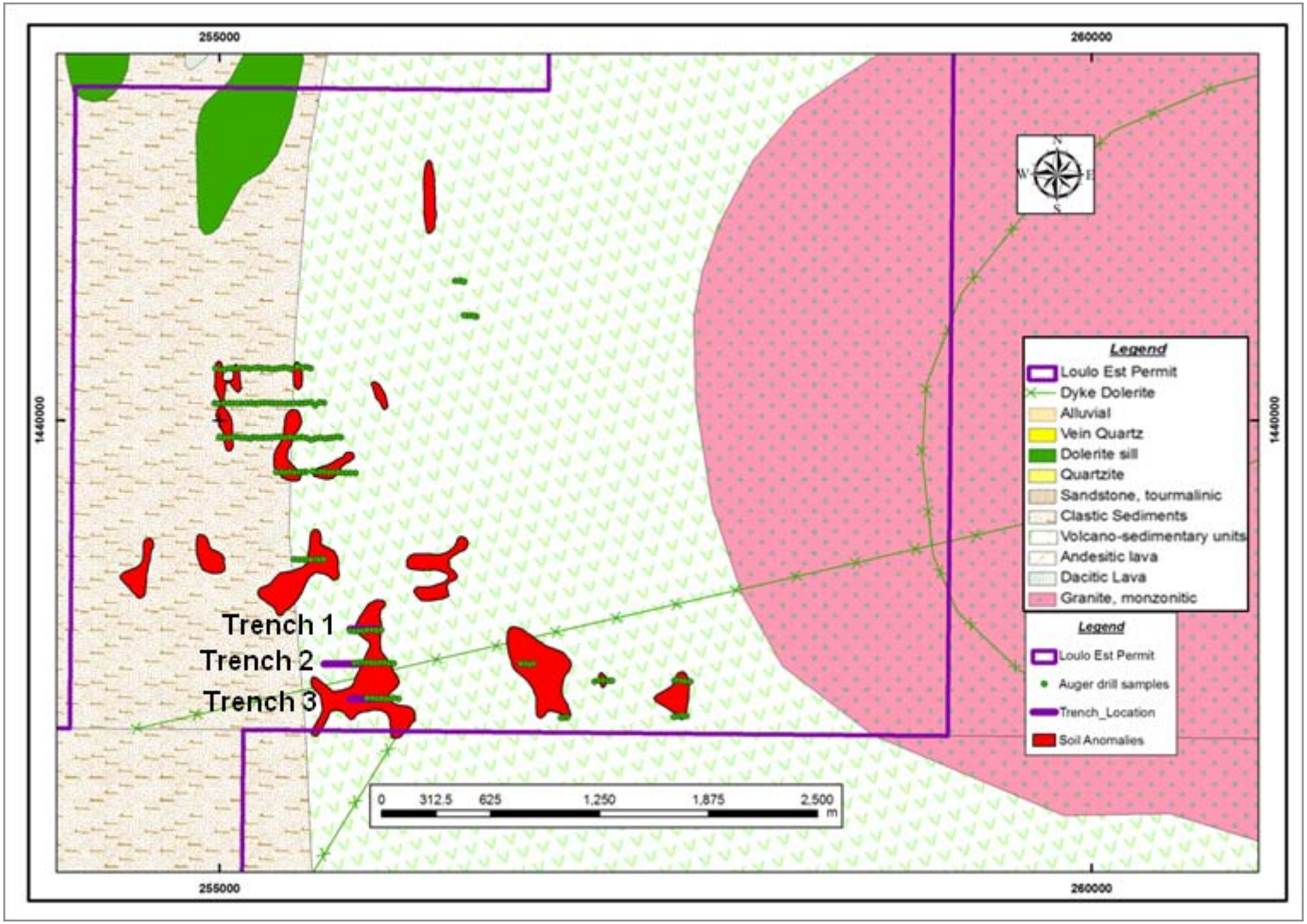
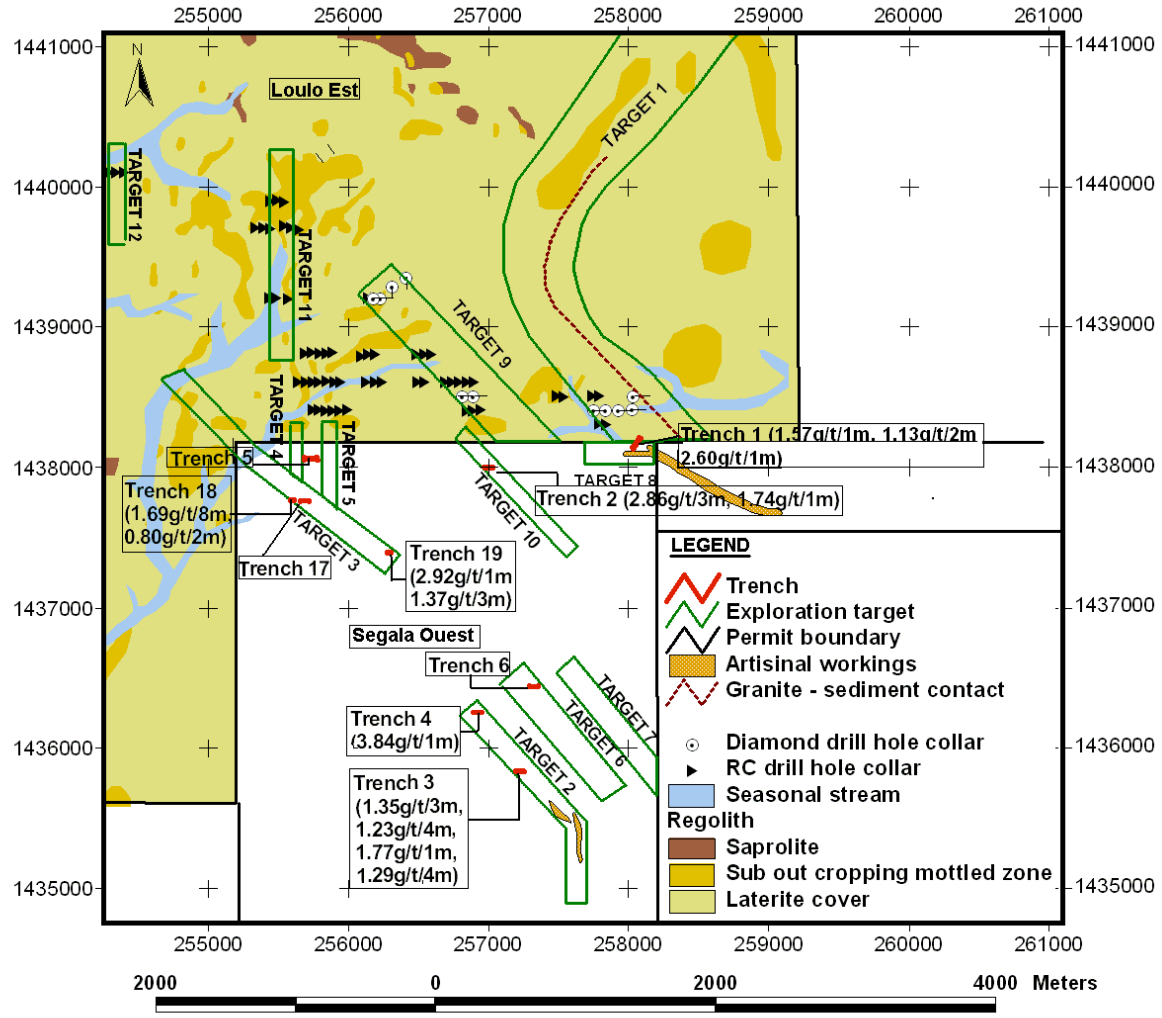


Figure 9.4.2_2

Map Showing Exploration Targets, Trench and Drilling locations on Loulo-Est and Segala-Ouest Permits

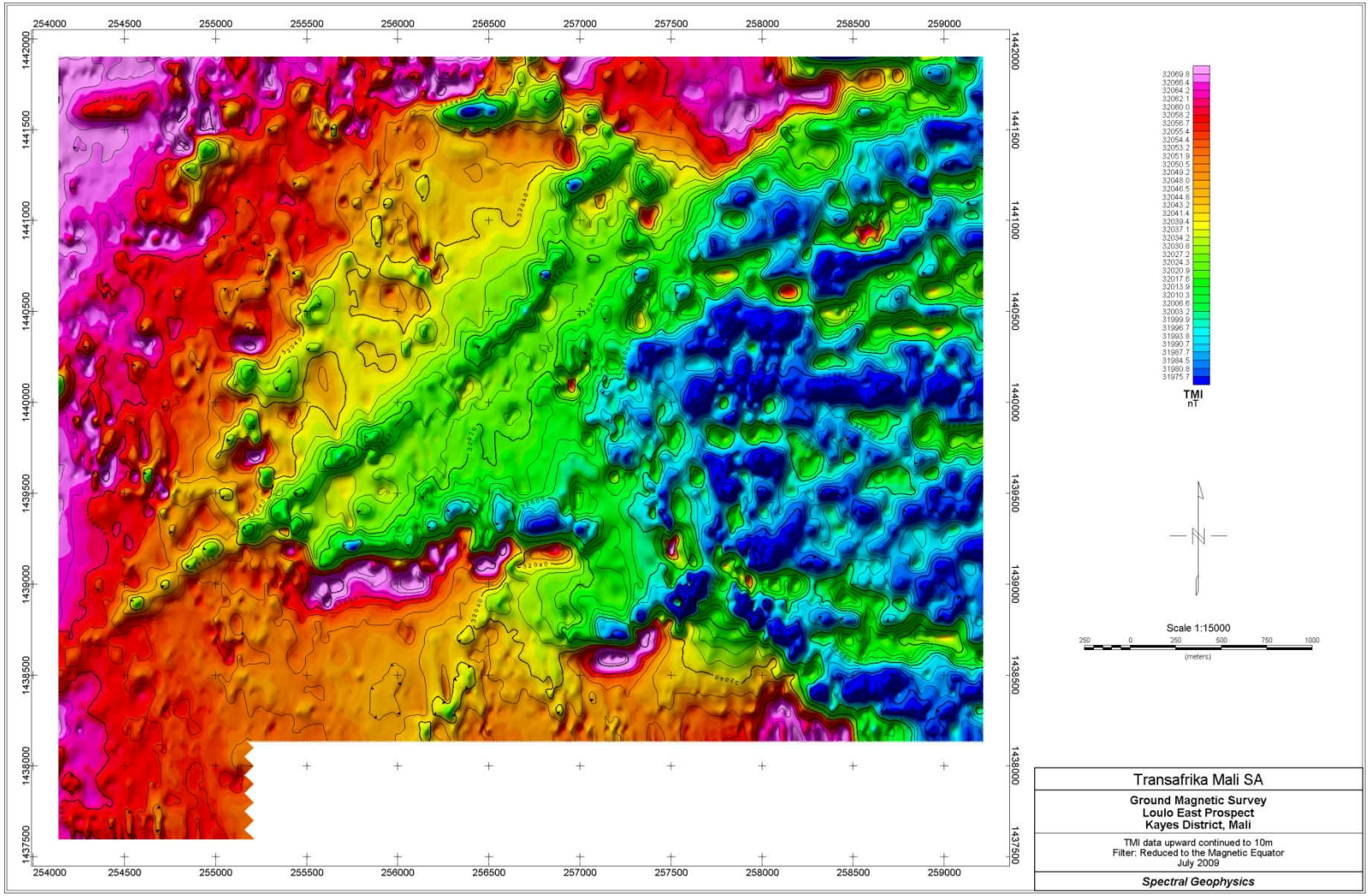


9.4.3 Ground Magnetic Surveys

A ground magnetic survey was done concurrently with the soil sampling program on Loulo-Est (Figure 9.4.3_1) with 33 line kilometres covered during the survey. A GSM-19 Overhauser magnetometer was used for the survey. While the survey clearly shows the granite and some dolerite dykes, the magnetic data are noisy and blanketed out by thick laterite cover in large parts of the area. Hematite in the laterite is believed to contain fine magnetite that formed during grass fires. As a result the data is difficult to interpret and the survey has been of limited use.

Figure 9.4.3_1

Ground Magnetic Survey – Loulo-Est Permit



9.4.4 Induced Polarity Survey

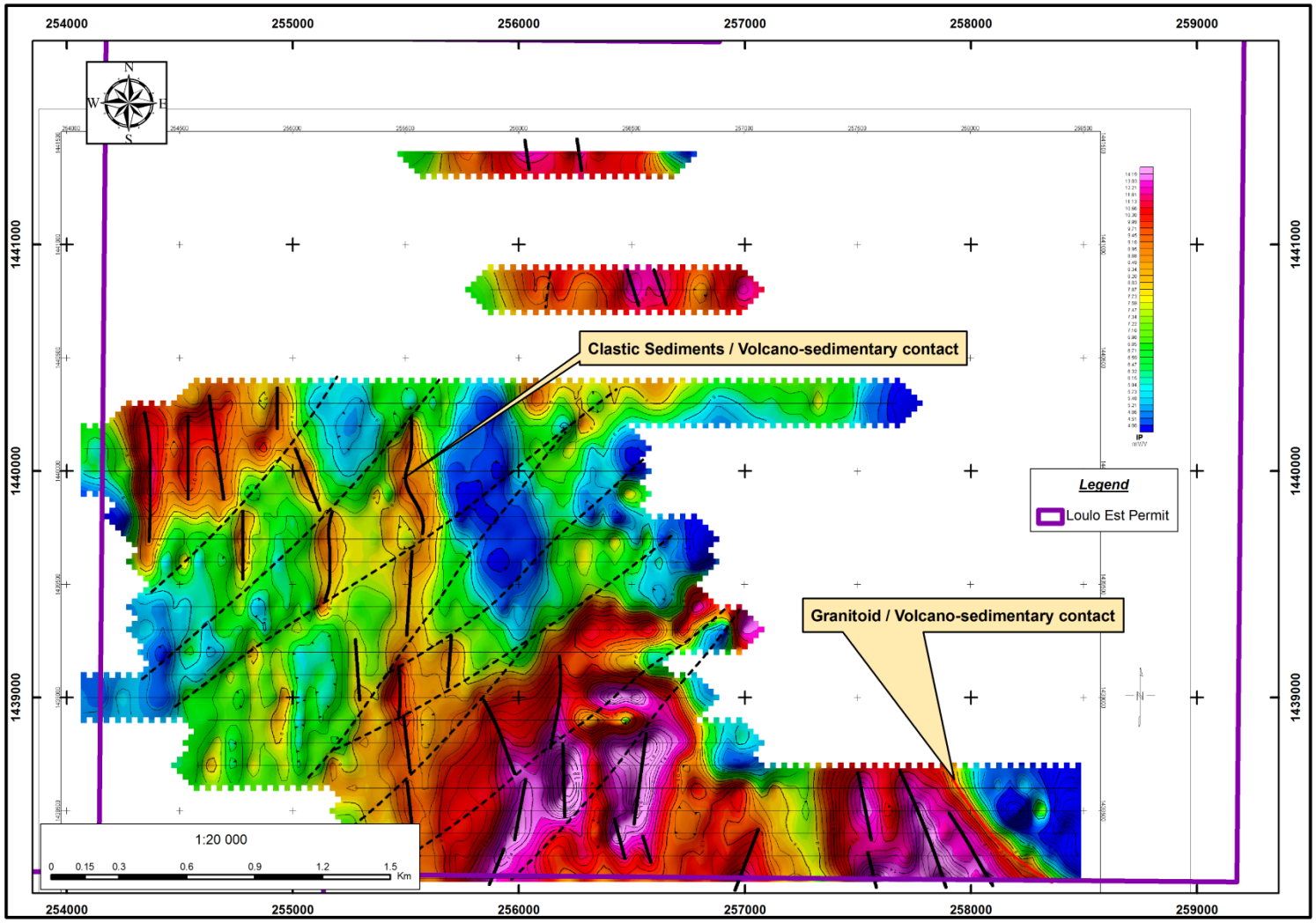
Spectral Geophysics was contracted to complete an IP survey over gold soil anomalies on Loulo-Est. The survey was initiated to determine the existence of disseminated sulphide bodies and/or silicification of significant structures.

From the IP survey it is interpreted that the chargeability/resistivity anomalies coincide with north-south trending structures with northeast-southwest trending cross-faults (Figure 9.4.4_1). A north – south trending chargeable body and resistivity high coincides with the interpreted contact between the clastic sediments and the volcano-sedimentary rocks. The granitoid/volcano-sedimentary contact is clearly defined in the south-eastern corner of the survey. This contact has been interpreted as a faulted, shear zone contact.

Aside from the obvious contacts between the granitoids, volcano-sedimentary units and clastic sediments, the nature of the IP anomalies is not understood. The IP survey defined structures that do not appear to coincide directly with the gold in soil anomalies nor the geology as interpreted by previous mapping and regional magnetics. In addition the large gap in the eastern area near the expected granitoid/volcano-sedimentary contact leaves the nature of the contact in this area undefined.

Figure 9.4.4_1

Interpreted Structures Overlain on the IP Chargeability Map – Loulo-Est Permit



9.4.5 Site Visit

The visit to site confirmed the locations of the RC and diamond drilling. Trenches either new or resampled were still open. In some trenches rocks show evidence of argillic alteration. Subsequent to sampling, artisanal miners made minor excavations in the sidewalls (Figure 9.4.5_1). There is little outcrop on the property and the trenches visited did not reach bedrock.

Figure 9.4.5_1
Segala-Ouest Central: Mineralized Section of Trench with artisanal Workings

The main artisanal workings at the central east portion of Segala-Ouest were visited (Figures 9.4.5_2 to 9.4.5_4, location Target 2 - Figure 9.4.5_2). The miners are extracting gold from a quartz vein and there is a second, worked out, pit on the same workings with the wallrock showing advanced argillic alteration. Visible gold was obvious in the processed ore.

Figure 9.4.5_2
Segala-Ouest Main Artisanal Workings (See Target 2 Figure 10.4.2_2)

Quartz Vein and Pit UnderCover

Gravity Separation After Second Crushing

Figure 9.4.5_3
Gold in Crushed Rock from Segala-Ouest Main Artisanal Workings

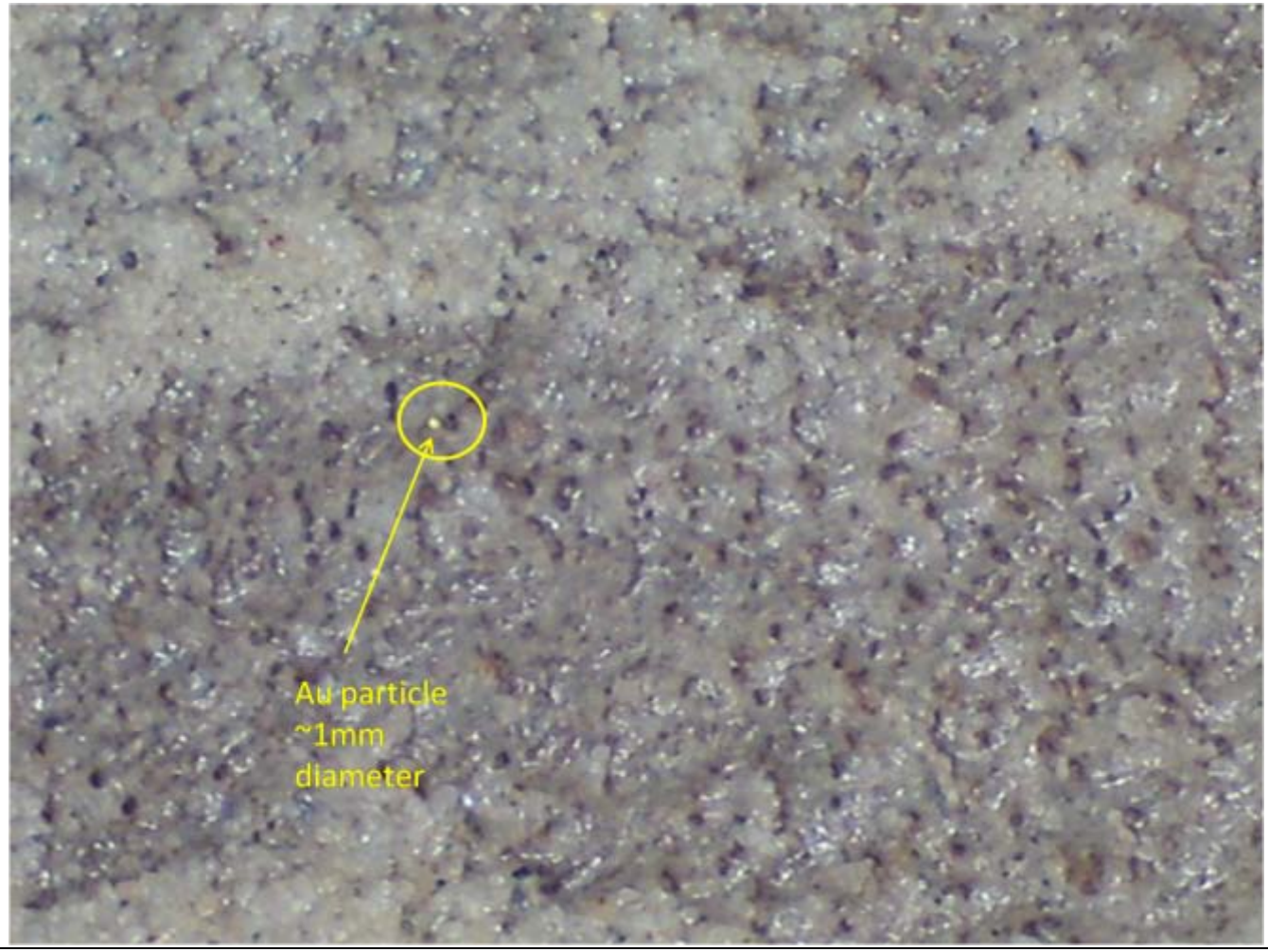


Figure 9.4.5_4
Segala-Ouest Artisanal Workings Second Pit

Second Pit in Artisanal Workings Segala – Ouest, Pit ~ 4m Deep

Altered Rock from Artisanal Workings Showing Quartz Veining

9.5 Foulaboula

Only historical regional soil sampling data is available for this area. TransAfrika has not undertaken any work on this permit area except for regional reconnaissance.

9.5.1 Soil Sampling

No soil sampling has been carried out by TransAfrika. The soil sampling used to identify gold anomalies is from a wide spaced government survey (100m line spacing and 400m sample spacing). To date no ground truthing of soil anomalies or follow up surveys have been carried out

9.5.2 Site Visit

The Foulaboula Permit area was not visited as there was no work done on the property by TransAfrika

9.6 Summary

Data collected by TransAfrika Mali SA is of variable content and quality. Mapping, soils sampling and geophysical surveys are ongoing and there are large gaps in the information on Farabantourou, Loulo-Est and Segala-Ouest that are still to be filled from future work. Only very preliminary interpretations are available and no comprehensive target generation has been undertaken. Additional discussion on these permit areas is included in the Interpretations and Conclusion, and Recommendations (Sections 17 and 18). Dag-Dag and Foulaboula have not had any exploration work carried out on them by TransAfrika Mali SA.

10 DRILLING

Unless otherwise stated, all drillhole intersections are reported as sample lengths and may not represent true thickness.

10.1 Dag-Dag

No exploration drilling has been undertaken by TransAfrika on the Dag-Dag permit area.

10.2 Farabantourou

10.2.1 Reverse Circulation Drilling

A RC drilling program commenced in October 2009 to test a gold in soil anomaly. A total of 978m in 10 drillholes were completed on two drilling fence lines (Figure 10.2.1_1). Only two of the drillholes, FARC004 and FARC005 intersected any significant mineralization. Drillhole FARC005 intersected 18m@1.26g/t Au (11m to 29m), which is indicative that the soil anomaly overlies bed rock gold mineralization (Figure 10.2.1_2). This intersection includes 4m@2.90g/t Au and 3m@2.66g/t Au. Drillhole FARC004 intersected 2m@1.99gt Au (20m to 22m) and 4m@1.16g/t Au (34m to 38m)(Figure 10.2.1_2). Mineralization cannot be correlated between drillholes possibly due to the steep dip of the mineralization and wide drillhole spacing or the lenticular nature of the mineralization as seen on other parts of the permit area. It appears from the little outcrop in the area of the drilling that the drillholes may have been drilled sub parallel to the schistosity of the strata and any mineralization at depth may well have been missed. Without core the structural features of the strata could not be evaluated.

Results of the drilling show that gold mineralization does occur but are inconclusive as to the commercial potential of the area.

Figure 10.2.1_1

The RC Drillhole Locations Overlain on the Soil Geochemical Sampling-Farabantourou Permit

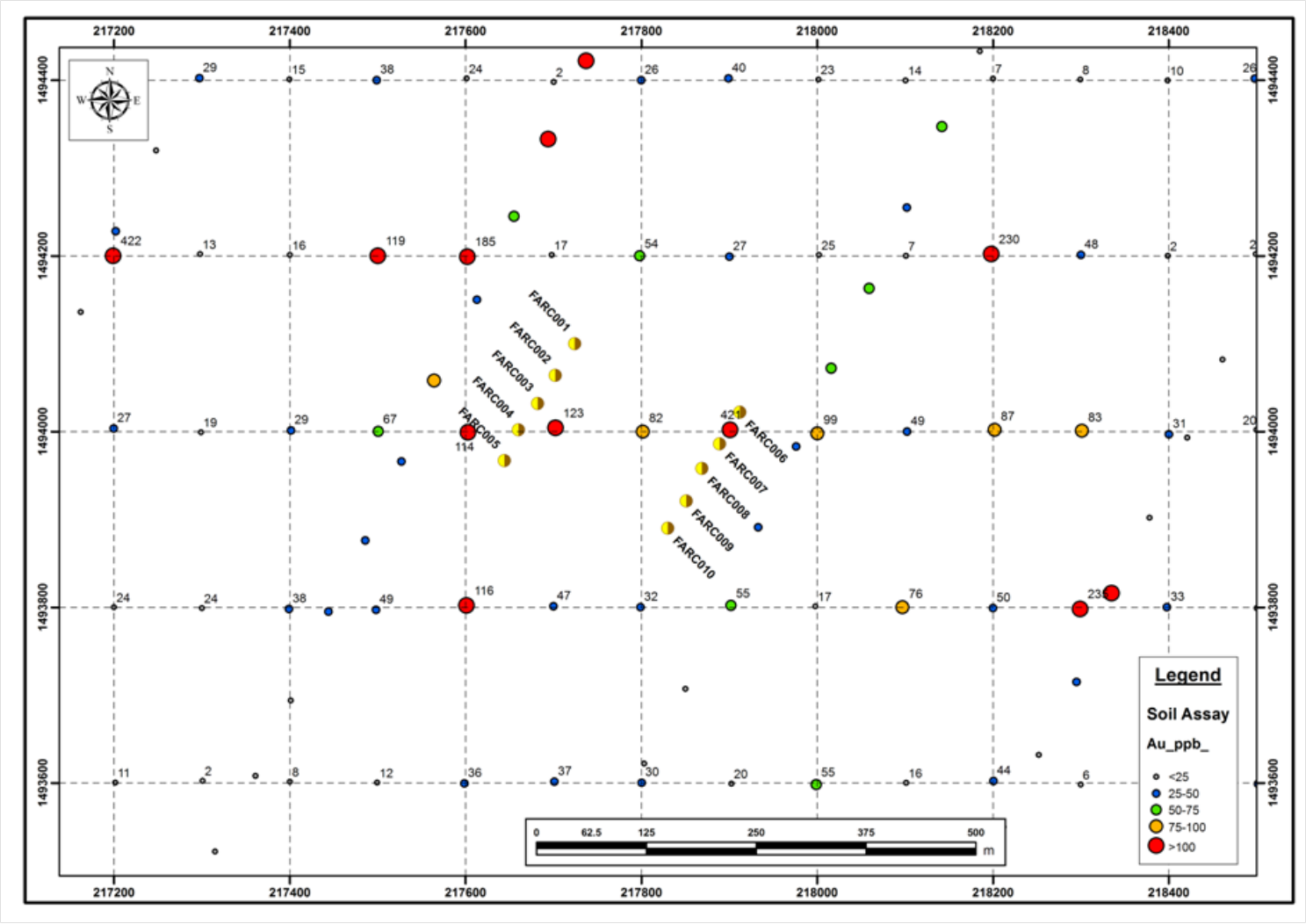
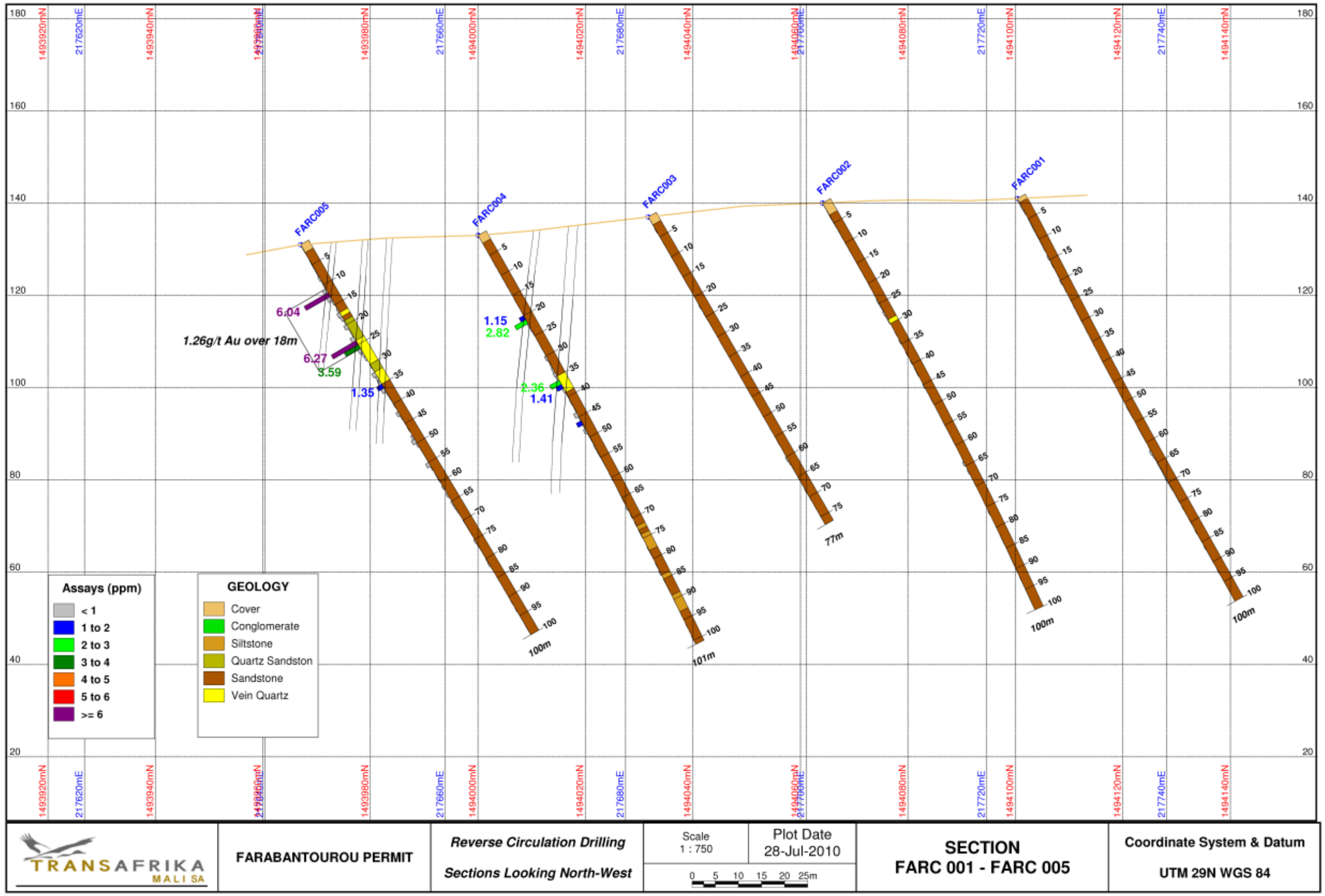


Figure 10.2.1_2
Cross-Section of RC Drilling Results – Farabantourou Permit



10.3 Loulo-Est and Segala-Ouest

10.3.1 Reverse Circulation Drilling

No drilling has been carried out by TransAfrika on Segala-Ouest to date. A Reverse Circulation (RC) drilling program was initiated in March 2009 by TransAfrika on Loulo-Est and was completed during May 2009. Sixty (60) drillholes, totaling 5,820m, were completed. The locations of the RC drillholes and cross sections are indicated in Figures 10.3.1_1 and 10.3.1_3. Drillholes were drilled to test soil anomalies.

Drillhole LERC032 returned the best intersection, assaying 2m@7.4g/t Au from 79m to 81m. This was at the bottom of the drillhole, which was stopped at 81m due to wet samples. Other significant intercepts are shown in Table 10.3.1_1.

Drill sections LERC024 – 26, 28 – 29 intersected multiple zones of mineralization (Table 11.3.1_1). The nature of the structures hosting the mineralization is not yet understood.

Table 10.3.1_1
Loulo-Est Project
Significant Mineralization Intercepts from Reverse Circulation Drilling on sections LERC024-28 and LERC029-31
(Gold intersections above a 0.5g/t cut-off)

Drillhole No	From (m)	To (m)	Intersection Width (m)	Grade (g/t)
LERC011	0	5	5	1.3
LERC024	19	21	2	1.53
	96	99	3	0.52
LERC025	56	61	5	1.1
LERC026	7	10	3	1.7
	15	17	2	1.17
	62	64	2	0.75
	67	68	1	1.07
	95	97	2	0.79
LERC028	14	16	2	0.55
	18	21	3	0.69
	28	35	7	1.95
	44	46	2	2.69
	82	84	2	2.22
LERC029	85	88	3	1.03

Figure 10.3.1_1
Location of the RC Drillholes – Loulo-Est Permit

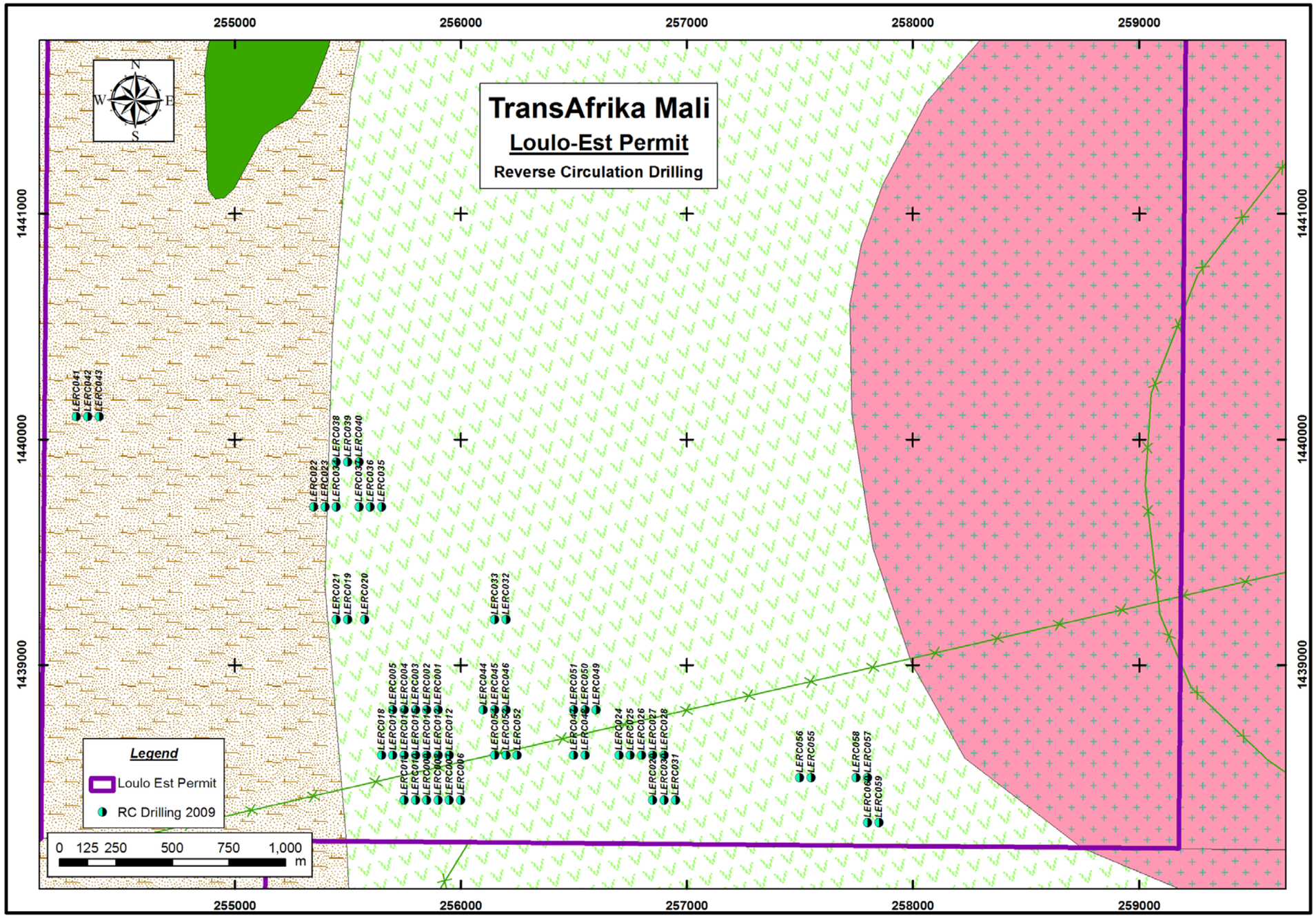


Figure 10.3.1_2

Cross-Section of the RC Drillholes Looking North (LERC024 – LERC028) – Loulo-Est Permit

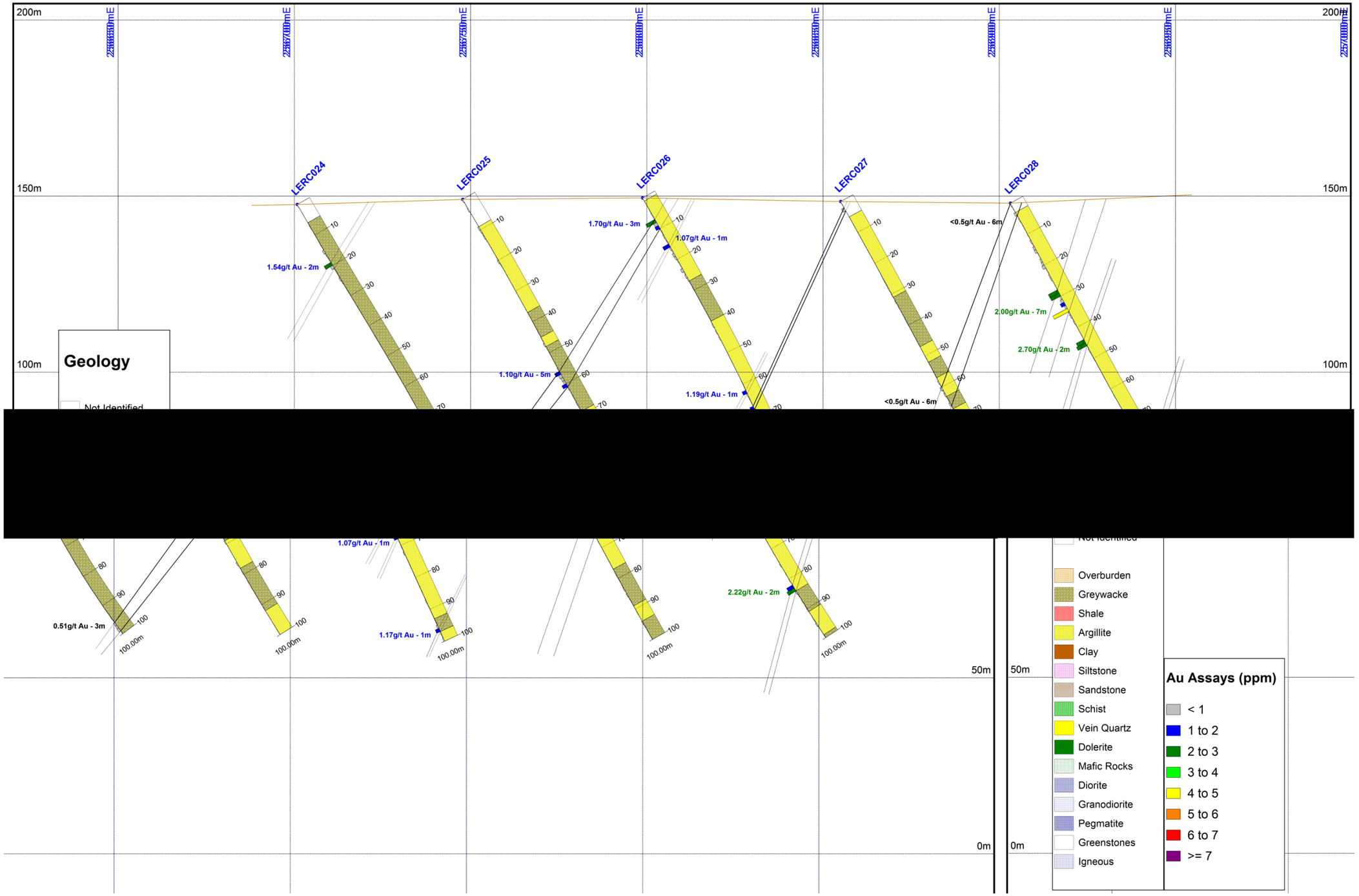
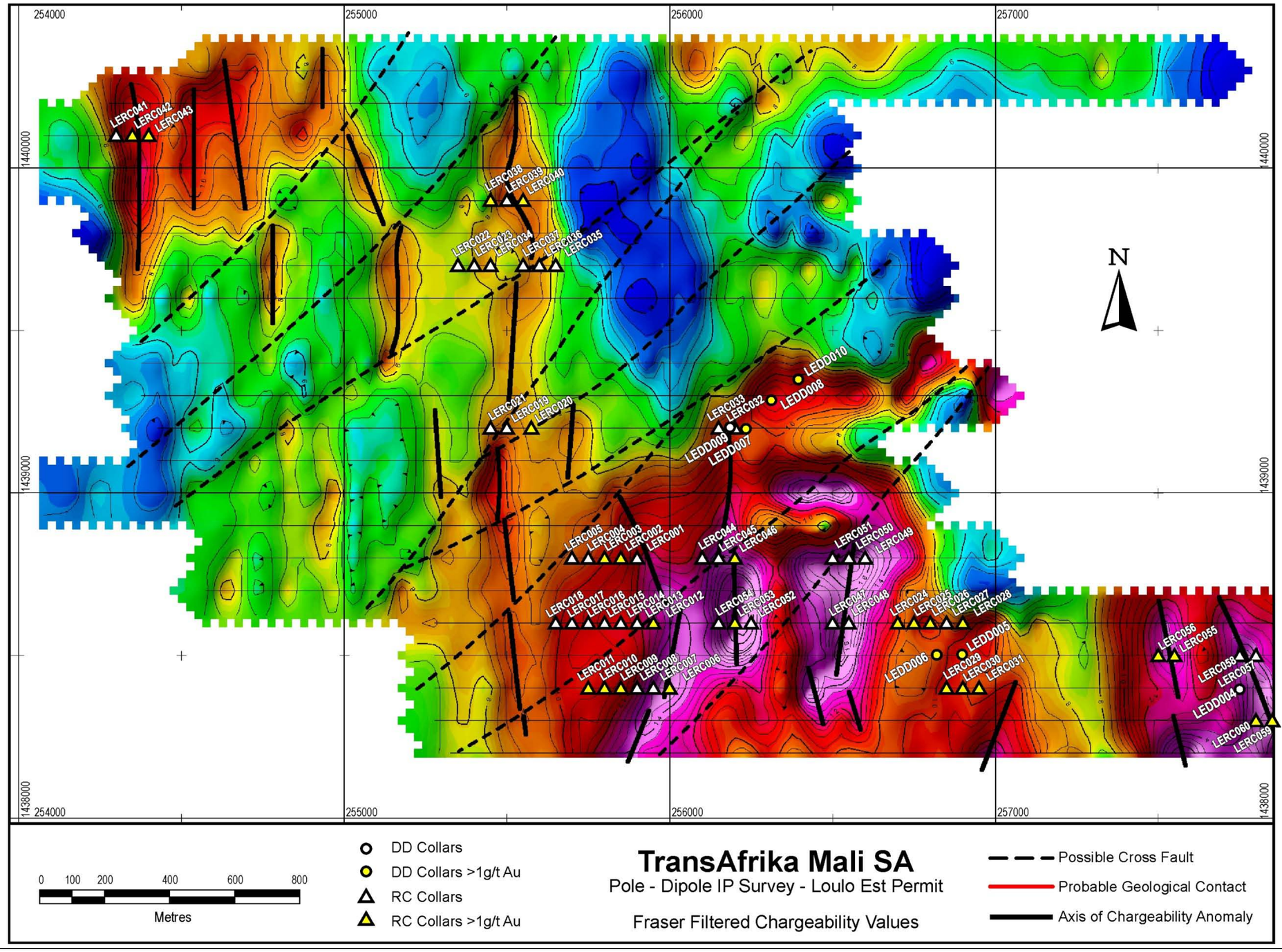


Figure 10.3.1_3

Chargeability Map Showing Drillhole Intersecting More Than 1g/t Au Loulo-Est Permit



10.3.2 Diamond Drilling

Initial integration of the soil, RC, magnetic and IP data revealed a number of exploration targets that were to be investigated through diamond drilling. The diamond drilling program, which included some 12 drillholes (including LEDD011 which was abandoned due to caving and collapsing of the drillhole), was completed during 2009 (Figure 10.3.2_1). A total of 2,404m was drilled. Four of these drillholes were drilled to investigate the granite–greenstone contact. The core was split and sampled at 1m intervals except where dictated by lithological contacts. A total of 2,368 drill core and quality control samples were submitted for Fire Assay analysis.

Lithologies encountered during the drilling program included greywacke, siltstone, argillite/shale and granitoids with minor quartz veins. Drillhole LEDD011B traversed the sediment-granite contact with the main granitoid body being intersected at 163.5m.

The following mineralized intersections were made (widths are drillhole lengths and not true widths):

- LEDD005 – 1m@21.80g/t Au from 17m depth with anomalous zones down the drillhole
- LEDD006 – 5m@1.04g/t from 7m – 12m with anomalous zones down the drillhole
- LEDD007 – 1m@1.05g/t Au at 94m depth
- LEDD008 – 3m@0.77g/t Au from 61m to 63m depth
- LEDD010 – 13m@1.17g/t Au from 39m to 52m depth. The mineralized structure was intersected at a low angle and true width will be much less. The mineralization is associated with intense chloritic alteration and quartz veining
- LEDD011B intersected anomalous gold values (0.42g/t over 7m) from 123m to 131m. The zone is intensely chloritized with quartz veins and 30m above the granite greenstone contact.

The highest gold intersection was in drillhole LEDD005, 1m@21.8g/t Au from 17m (Figure 10.3.2_2).

Correlation of mineralization between drillholes is difficult as the geology is poorly understood. Controls on gold mineralization are not known.

Figure 10.3.2_1
Location of the Diamond Drillholes – Loulo-Est Permit

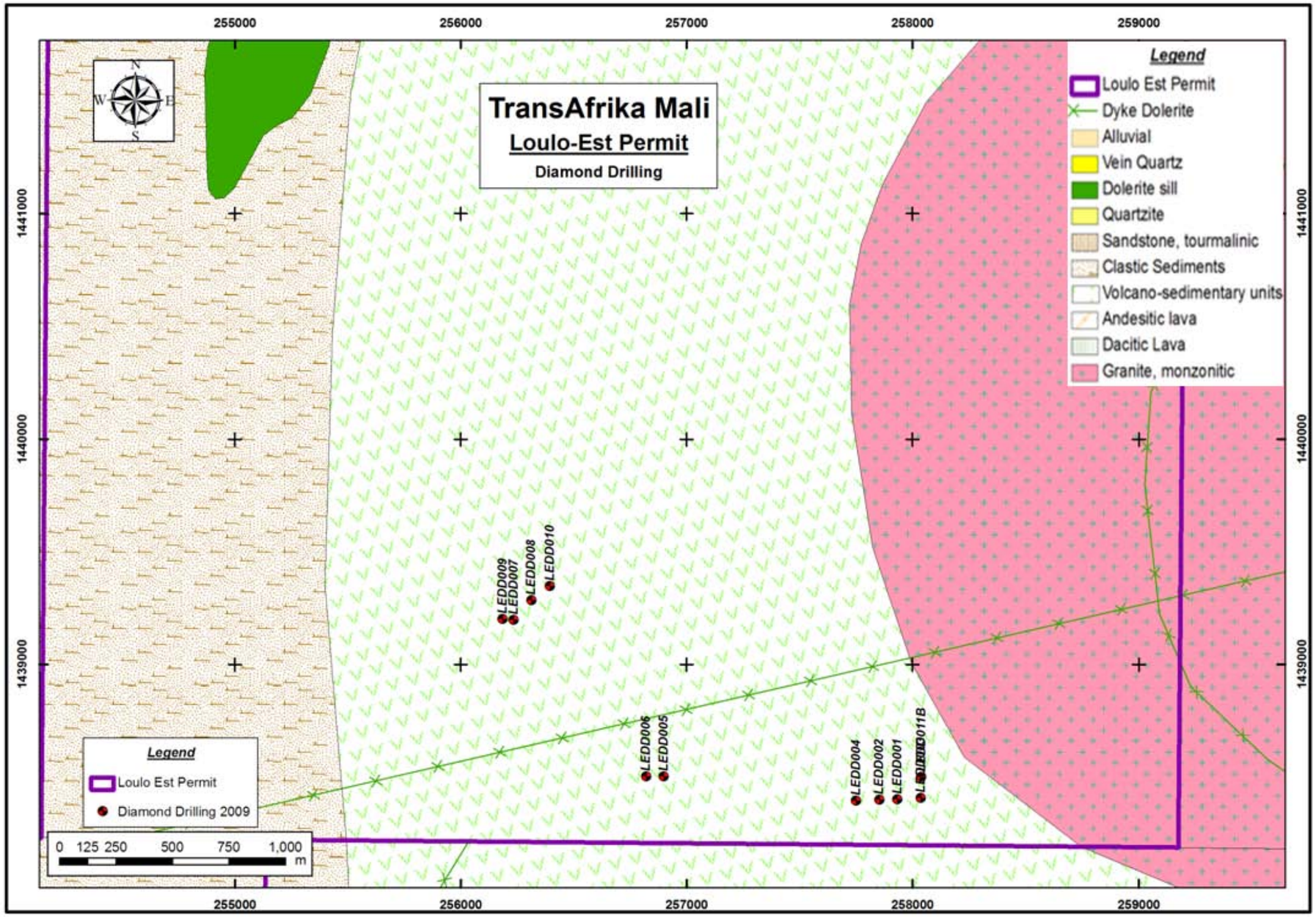
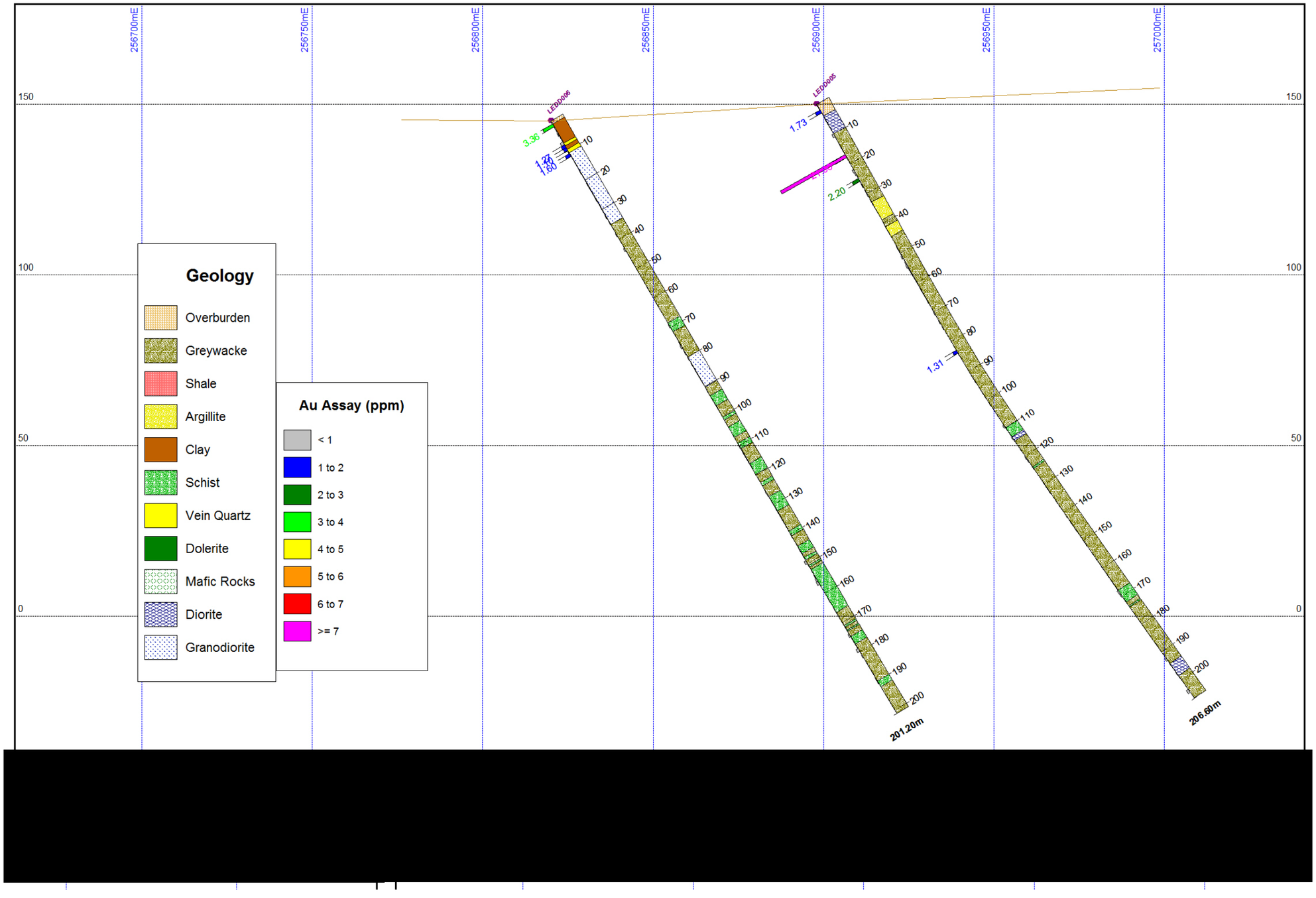


Figure 10.3.2_2
Loulo-Est Diamond Drilling – Section LEDD 005 to LEDD 006, Looking North



10.4 Segala-Ouest

No exploration drilling has been carried out on Segala-Ouest

10.5 Foulaboula

No exploration drilling has been undertaken by TransAfrika on the Foulaboula Permit area.

11 SAMPLE PREPARATION, ANALYSES AND SECURITY

11.1 Soil Sampling Methodology

Soil sample grids were designed with 100m, 200m or 400m line spacing depending on where higher resolution of sampling was required, and 100m, 50m or 25m sample spacing along grid lines as necessary.

11.2 Grab and Channel Sampling Methodology

Grab sampling and channel sampling of some artisanal workings, outcrops and floats was carried out on several areas within the various permits to provide some understanding of the distribution of gold in quartz veins and the host rock.

Rock grab sampling was done primarily from outcrop on surface. A fist size sample of the rock was normally collected, and the sample location was recorded using a GPS and plotted on a plan.

Channel sampling was performed within trenches. Trenches were excavated and sampled on Loulo-Est and Segala-Ouest. For trenches on Loulo-Est, horizontal samples were collected at one metre intervals on the sidewall about 20cm from the floor of trench or pit, from one end to the other. On Segala-Ouest horizontal samples were collected in similar fashion, but on two levels. Horizontal levels were sampled on the sidewall below the laterite – mottled zone contact and also about 20cm from the floor of the pit. Material was taken in a consistent channel using a chisel and hammer. Other samples were also collected across quartz veins or at right angles across geological features. Each channel sample position is recorded measuring the position with a measuring tape from the start of the trench. The trench position was georeferenced using a handheld GPS. Sample lengths were occasionally adjusted to account for lithological changes. Where old trenches were resampled, the reject material from the earlier diggings left along the sides of the trenches was also sampled by cutting a shallow channel of approximately 5cm deep and channel-type samples along the length of the trench. Where sample results from the dump material gave positive results, the old trench was cleaned and channel sampled. Only channel samples from the trenches were recorded as trench samples. Samples from the dumps were treated separately. Each sample (approximately 2kg) was placed in a plastic sample bag with a unique sample number and shipped to ALS Chemex laboratory in Bamako for gold analysis.

11.3 Trenching Methodology

Trenches were dug to a vertical depth varying from 2m to 3m depending on the thickness of the soil cover, with lengths of 20m to 150m and a width of approximately 1m. Most of the trenches terminated in saprolite. The trenches were excavated by hand utilising local labour with pickaxes and shovels. Once the trench was excavated, one wall of the trench was cleaned, chained and marked with wooden pegs at one metre intervals. The trench geology was mapped and then continuous horizontal channel samples were collected along the length of the trench as described above.

11.4 Drilling

11.4.1 Introduction

Drilling was carried out in 2008 and 2009 on the Loulo-Est and Farabantourou permits utilizing RC rigs or diamond drill rigs.

11.4.2 Core or Sample Recovery

All drilling was undertaken by reputable drilling contractors to industry standard. Diamond drilling produced HQ (63.50mm) and NQ (47.60mm) size core. Generally, drillholes commenced with HQ and were drilled to more competent material below the saprolite before casing off HQ and then continued with NQ to the end of drillhole. In all drillholes the rock was moderately fractured giving pieces usually less than 50cm but core recovery in the competent rock was greater than 90%.

Sample recovery in the RC drillholes appears to have been within acceptable limits. Geologist reports and logs do not indicate any serious problems.

11.4.3 Collar Surveys

All drillhole collars were surveyed by using a handheld GPS with an estimated accuracy of ± 5m. Collars are planned to be surveyed with a differential GPS at a later stage to correct for any elevation difference in the drillhole collars.

11.4.4 Downhole Surveys

The drillholes were surveyed using a Reflex-IT instrument. The drillholes were surveyed below the casing depth and then at 30m intervals and at the end of the drillhole.

11.4.5 Logging

All core and RC chips were logged to industry standard using a set of defined lithological codes. Data captured included:

- Intensity of weathering
- Lithology
- Colour
- Grain size
- Type of alteration when present
- Sulphides when present
- Quartz veins when present
- Sample quality

11.4.6 Chain of Custody - Responsibility and Accountability

A full chain of custody was implemented for the sample submission by the geologists for the entire process from the sampling to the analytical laboratory.

The details of the samples to be submitted were recorded on standard documentation on site. The samples were checked by sampling personnel and the geologists prior to shipment. This was provided with the dispatch notes. Any discrepancies on receipt by the laboratory were flagged for follow up. The assay certificates were e-mailed to the Project Geologist as *.csv and *.pdf files. Cross checking of the assay certificates with the results was possible as these included details of each batch, including the shipment codes.

Samples were road freighted by TransAfrika or their contractors from site to laboratories in Kayes and Bamako, Mali.

Drillhole core, duplicates of RC sample chips and reference material of RC chips in chip trays are stored in a locked compound at the field office in Kéniéba. The remaining RC sample chip rejects were left at the drill site and have not been retained.

11.4.7 Relative Density

No density measurements were taken on drill core or chips.

11.4.8 Coffey Mining Technical Assessment

Sampling and data collection have all been carried out to industry standards. Drillhole collar surveys are of sufficient accuracy for the current stage of exploration. Where drillholes will be used for mineral resource evaluation the collar positions will need to be surveyed by a qualified surveyor to a better accuracy. Density measurements on the drill core are not essential at this stage but will be needed if any of the drillholes are to be used in a mineral resource evaluation.

11.5 Sample Preparation and Analysis

Soil sample preparation and analysis was carried out by SGS Mineral Testing Laboratory in Kayes, Mali. The samples were crushed to less than 2mm using a jaw crusher and then split using a riffle splitter. One of the splits was then pulverized to achieve a nominal 90% of the sample at less than 75µm. All samples were analysed for Au by Fire Assay using Aqua Regia digestion with a di-isobutyl ketone (DIBK) extraction and an Atomic Absorption Spectroscopy (AAS) finish. The detection limit for this method is 2ppb for Au. SGS operates a Quality System in line with ISO 17025.

RC and Diamond Drill Sample preparation and analysis was carried out by ALS Chemex, Bamako, Mali. The total sample was pulverized to achieve 85% of the sample at less than 75µm. All samples were analysed for Au by Fire Assay with an AAS finish. The detection limit for this method of gold analysis with 50g sample by Fire Assay is 0.01ppm Au. ALS Chemex in Bamako has no accreditation but operates with the same protocols as other accredited laboratories in the ALS group.

11.6 Quality Assurance and Quality Control

A comprehensive quality assurance and quality control (QA/QC) program was undertaken. It was possible to identify samples that had been swapped, missing samples, and incorrect labelling amongst other aspects.

The quality control program was planned to include, a standard and a duplicate within every 20 samples submitted. During the RC drilling programs a blank was also inserted within every 20 samples. The intended aim was 5% coverage for each of the control sample types. This was not strictly adhered to do to operating difficulties during parts of the various sampling programs but sufficient quality control samples were submitted to demonstrate the accuracy and precision achieved by the laboratories.

The quality control data was analysed on an on-going basis and generated queries with the laboratory. While most data problems were successfully resolved there are a number of analyses, especially in low grade Standard Reference Materials which produced results outside of expected ranges. These have not been explained and may be random errors due to a variety of causes. The presence of a large number of apparently random errors reduces the confidence in the data however, the data is still of sufficient quality to be used for target generation exercises.

Definition of terms related to the QA/QC protocols applied and subsequent evaluations are provided below:

A **standard** is a reference sample with a known (statistically) element abundance and standard deviation. Reference standards are used to gauge the accuracy of analytical reporting by comparing the pre-determined values to those reported by the laboratory used during an exploration project.

A **blank** is a standard with abundance of the element of interest below the level of detection of the analytical technique.

A **duplicate** is the split of a sample taken at a particular stage of the sampling process; e.g. Field Duplicate.

The precision and accuracy are discussed in terms of the following statistical measures routinely applied by Coffey Mining. Tables with the summary statistics are presented in Sections 11.7 to 11.12, and full graphical presentation is in Appendix A (Farabantourou), Appendix B (Loulo-Est) and Appendix C (Segala-Ouest).

- **Thompson and Howarth Plot** showing the mean relative percentage error of grouped assay pairs across the entire grade range, used to visualize precision levels by comparing against given control lines.
- **Rank HARD Plot,** which ranks all assay pairs in terms of precision levels measured as half of the absolute relative difference from the mean of the assay pairs (HARD), used to visualize relative precision levels and to determine the percentage of the assay pairs population occurring at a certain precision level.
- **Mean vs. HARD Plot**, used as another way of illustrating relative precision levels by showing the range of HARD over the grade range.
- **Mean vs. HRD Plot** is similar to the above, but the sign is retained, thus allowing negative or positive differences to be computed. This plot gives an overall impression of precision and also shows whether or not there is significant bias between the assay

pairs by illustrating the mean percent half relative difference between the assay pairs (mean HRD).

- **Correlation Plot** is a simple plot of the value of assay 1 against assay 2. This plot allows an overall visualization of precision and bias over selected grade ranges. Correlation coefficients are also used.
- **Quantile-Quantile (Q-Q) Plot** is a means where the marginal distributions of two datasets can be compared. Similar distributions should be noted if the data is unbiased.

For field soil duplicates a second sample was taken in the field from the same drillhole as the original sample. For field drilling samples an empty sample bag with a sample ticket was submitted for the laboratory to split the previous sample after crushing during sample preparation. Eight standards of high and low grades were used at different times in the programs depending on availability. All standards were supplied by Geostats Pty Ltd, Australia. Locally bought building sand was used as the blank material.

11.7 Farabantourou Soil Sampling

During the soil sampling on Farabantourou six different standards were used. Their EV and standard deviations are shown in Table 11.7_1. A 5% coverage of the control types was achieved and a summary of the actual control samples submitted can be seen in Table 11.7_2. Charts of results are given in Appendix A.

Table 11.7_1
Farabantourou Soil Sampling
Expected Values of Standards

Standard	Au			Units
	Expected Value	+1 standard deviation	-1 standard deviation	
G901-1	2.58	2.71	2.45	ppm
G901-11	1.34	1.4	1.28	ppm
G901-7	1.52	1.58	1.46	ppm
G901-9	0.69	0.73	0.65	ppm
G905-5	0.52	0.55	0.49	ppm
GLG904-2	21.55	26.46	16.64	ppb

Table 11.7_2 Farabantourou Soil Sampling Summary of Control Samples			
Control Type	**Submitted**	**Samples**	**Proportion**
G901-11	17	2,223	0.80%
G901-7	8		0.40%
G901-9	11		0.50%
G905-5	12		0.54%
GLG904-2	60		2.70%
Duplicates	111		5.00%

Standard G901-1

Only two standards were used and both returned at greater than two standard deviations. No standard or sample swap was evident and no other recorded standard has a similar value. For this reason no graph has been plotted.

Standard G901-11

All results for this standard fell within two standard deviations from the EV with a minor overall bias of 1.2%.

Standard G901-7

All except one result fell within two standard deviations of the EV with an overall negative bias of -8%. Sample number FAR0930 returned a value too low to be this standard. This is possibly due to a sample swap.

Standard G901-9

All results returned within two standard deviations of the EV with a negligible overall bias.

Standard G905-5

All results returned within one standard deviation of the EV with a slight negative overall bias of -0.4%

Standard GLG904-2

The bulk of the results returned within two standard deviations of the EV with an overall negative bias of -8%. However, this standard shows very poor precision possibly because the EV is close to detection limit.

Field Duplicates

Of all data pairs grading more than ten times detection limit (24 pairs), 79% are within 20% HARD precision limits with a bias of -6%. The slightly poor precision on the duplicate assay pairs is most likely due to the natural nugget effect of gold.

11.8 Farabantourou RC Sampling

During the RC sampling on Farabantourou three different standards were used. Their EV and standard deviations are shown in Table 0_1. A 4.5% coverage of the standard control types and a 5% coverage of blanks and duplicates was achieved (Table 02).

Table 0_1
Farabantourou RC Sampling
Expected Values of Standards

Standard	Au			Units
	Expected Value	+1 standard deviation	-1 standard deviation	
G901-7	1.52	1.58	1.46	ppm
G995-1	2.75	2.93	2.57	ppm
G999-6	7.18	7.49	6.87	ppm

Table 0_2
Farabantourou RC Sampling
Summary of Control Samples

Control Type	Submitted	Samples	Proportion
G901-7	19	1,147	1.70%
G995-1	18		1.60%
G999-6	19		1.70%
Blank	57		5.00%
Duplicates	57		5.00%

Standard G901-7

All except one sample returned with lower than expected results, however, they were within two standard deviations of the EV and an overall bias of -6%. Sample F100630 returned much higher than expected and samples F100150 and F100910 returned results much lower than expected. Further investigation was unable to determine the cause.

Standard G995-1

The bulk of the results returned within two standard deviations of the EV although they were all lower than expected with an overall bias of -4%. Sample F100230 returned much higher than expected but further investigation was unable to determine the cause.

Standard G999-6

All results returned within two standard deviations of the EV with a minor overall negative bias of -1%.

Blanks

The bulk of results returned values within the expected range, however, six results returned at slightly more than three times the expected value. It is assumed that the cause of this is the use of local building sand as the blank material which could contain trace amounts of gold.

Field Duplicates

Of all data pairs grading more than ten times detection limit (11 pairs), 90% are within 20% HARD precision limits but with a bias of 14%. This is due to the small data set and a single sample F100379 returned a result of 1.24ppm versus 0.46ppm skewing the overall results. If the outlier is removed the bias becomes -3%.

11.9 Loulo-Est Soil Sampling

During the soil sampling on the Loulo-Est project four different standards were used. Their EV and standard deviations can be seen in the Table 11.9_1. An approximately 5% coverage of the control types was achieved but no results for blanks were seen in the sample results. A summary of the actual control samples submitted can be seen in Table 11.9_2. Charts of results are given in Appendix B.

Table 11.9_1
Loulo-Est Soil Sampling
Expected Values of Standards

Standard	Au			units
	Expected Value	+1 standard deviation	-1 standard deviation	
G901-1	2.58	2.71	2.45	ppm
G901-11	1.34	1.4	1.28	ppm
G901-9	0.69	0.73	0.65	ppm
G905-5	0.52	0.55	0.49	ppm
GLG904-2	21.55	26.46	16.64	ppb

Table11.9_2 Loulo-Est soil Sampling Summary of Control Samples			
Control Type	**Submitted**	**Samples**	**Proportion**
G901-1	2	2653	0.03%
G901-11	13		0.50%
G901-9	30		1.10%
G905-5	29		1.10%
GLG904-2	59		2.20%
Duplicates	132		5.00%

Standard G901-11

All results returned within two standard deviations of the EV with a minor overall negative bias of 2%.

Standard G901-9

The bulk of the results returned within two standard deviations of the EV with a negligible overall bias. Two samples, LLE2550 and LLE2570, returned results higher than expected, however, after further investigation no obvious reason could be determined nor were the results of the surrounding samples outside of expected ranges. No action was taken as remediation.

Standard G905-5

The bulk of the results returned within two standard deviations of the EV with a bias of -1%. One sample, LLE2530 returned a result higher than expected but further investigation was unable to determine the cause. As with G905_5 the results of the surrounding samples were within expected ranges. No action was taken as remediation

Standard GLG904-2

The bulk of the results returned outside of two standard deviations of the EV with an overall bias of -24%. This standard shows very poor precision and accuracy probably because the EV is close to detection limit.

Field Duplicates

Of all data pairs grading more than ten times detection limit (13 pairs), 54% are within 20% HARD precision limits. There is a poor correlation between the original and duplicate results when above 200ppm and this is assumed to be due to the natural nugget effect of gold.

11.10 Loulo-Est Auger and Trench Sampling

During the auger and trench sampling on the Loulo-Est project four different standards were used. Their EV and standard deviations are shown in the Table 0_1. A 5% coverage of the control types was achieved (Table 0_2). Charts of results are given in Appendix B.

Table 0_1
Loulo-Est Auger and Trench Sampling
Expected Values of Standards

Standard	Au			units
	Expected Value	+1 standard deviation	-1 standard deviation	
G901-11	1.34	1.4	1.28	ppm
G901-9	0.69	0.73	0.65	ppm
G905-5	0.52	0.55	0.49	ppm
GLG904-2	21.55	26.46	16.64	ppb

Table 0_2
Loulo-Est Auger and Trench Sampling
Summary of Control Standards

Control Type	Submitted	Samples	Proportion
G901-11	7	749	0.90%
G901-9	9		1.20%
G905-5	10		1.30%
GLG904-2	9		1.20%
Duplicates	37		5.00%

Standard G901-1

Only two samples of this standard were inserted, so it is not possible to complete a proper analysis of the results. It can however be said that both sample results fell within the expected ranges.

Standard G901-11

All results returned within one standard deviations of the EV with a minor overall negative bias of 2%.

Standard G901-9

All results returned within two standard deviations of the EV with a minor overall negative bias of 1%.

Standard G905-5

All results returned within two standard deviations of the EV with an overall negative bias of 5%.

Standard GLG904-2

Only half of the results returned within two standard deviations of the EV with an overall negative bias of -22%. This standard shows very poor precision and accuracy, possibly because the EV is close to detection limit.

Field Duplicates

Of all data pairs grading more than ten times detection limit (25 pairs), 52% are within 20% HARD precision limits. There is a poor correlation between the original and duplicate results most likely because most of the results are below 0.5g/t Au and the natural nugget effect of gold.

11.11 Loulo-Est Drill Sampling

During the RC and Diamond Drill (DD) sampling on the Loulo-Est project seven different standards were used. Their EV and standard deviations are shown in the Table 11.11_1. A 5% coverage of the control types was achieved. A summary of the actual control samples submitted can be seen in Table 11.11_2. Charts of results are given in Appendix B.

Table 11.11_1
Loulo-Est Drill Sampling
Expected Values of Standards

Standard	Au			Units
	Expected Value	+1 standard deviation	1 standard deviation	
G901-1	2.58	2.71	2.45	ppm
G901-11	1.34	1.4	1.28	ppm
G901-7	1.52	1.58	1.46	ppm
G901-9	0.69	0.73	0.65	ppm
G905-5	0.52	0.55	0.49	ppm
G995-1	2.75	2.93	2.57	ppm
G999-6	7.18	7.49	6.87	ppm

Table 11.11_2 Loulo-Est Drill Sampling Summary of Control Samples			
Control Type	**Submitted**	**Samples**	**Proportion**
G901-1	94	9,212	1.00%
G901-11	69		0.80%
G901-7	85		0.90%
G901-9	47		0.50%
G905-5	37		0.40%
G995-1	38		0.40%
G999-6	76		0.80%
Blank (RC only)	341	6,844	5.00%
Duplicates	459	9,212	5.60%

Standard G901-1

All results returned within two standard deviations of the EV with a minor negative bias of 3%.

Standard G901-11

The bulk of the results returned within two standard deviations of the EV with a negative bias of -6%. Two samples, A101690 and A102010, returned results lower than expected, however after further investigation the reason could not be determined.

Standard G901-7

The bulk of the results returned within two standard deviations of the EV but with an overall negative bias of -8%. Overall precision is poor with significant variation in results returned. Several results returned more than two standard deviations below the EV but the reason behind this could not be determined.

Standard G905-5

The bulk of the results returned lower than two standard deviations below the EV with an overall bias of -13%.

Standard G995-1

The bulk of the results returned within two standard deviations of the EV with a minor overall bias of 2%. Three samples returned results higher than expected however after further investigation the reason could not be determined.

Standard G999-6

The bulk of the results returned within two standard deviations of the EV with an overall minor negative bias of 1%. Three samples returned results lower than expected, however after further investigation the reason could not be determined.

Blanks

The bulk of results returned values within the expected range, however, four results returned at slightly more than three times the expected value. It is assumed that the cause of this is the use of local building sand as the blank material which could contain trace amounts of gold.

Field Duplicates

Of all data pairs grading more than ten times detection limit (30 pairs), 63% are within 20% HARD precision limits but with a bias of 8%. The slightly poor precision on the duplicate assay pairs is most likely due to the natural nugget effect of gold.

11.12 Segala-Ouest Soil Sampling

During the soil and trenching campaign undertaken by TransAfrika on the Segala -Ouest QA/QC samples were only inserted into the soil sampling program. Two different standards were used as well as blanks. Their EV and standard deviations can be seen in the Table 11.12_1. Only 2% coverage of the control types was achieved. A summary of the actual control samples submitted can be seen in Table 11.12_2. Charts of results are given in Appendix C.

Table 11.12_1
Segala-Ouest Soil Sampling
Expected Values of Standards

Standard	Au			units
	Expected Value	+1 standard deviation	-1 standard deviation	
OXA59	81.7	86.9	76.5	ppb
GLG904-2	21.55	26.46	16.64	ppb

Table 11.12_2
Segala-Ouest Soil Sampling
Summary of Control Samples

Control Type	Submitted	Samples	Proportion
OXA59	13	1404	1.00%
GLG904-2	13		1.00%
Blanks	28		2.00%
Duplicates	28		2.00%

Standard OXA59

All results returned within two standard deviations of the EV with a negligible bias.

Standard GLG904-2

All results returned within two standard deviations of the EV with a -3% bias.

Blanks

Just over half of the results returned values at slightly more than three times the expected value. It is assumed that the cause of this is the use of local building sand as the blank material which could contain trace amounts of Au.

Field Duplicates

Of all data pairs grading more than ten times detection limit, only 33% are within 20% HARD precision limits but with a bias of 0%. The very poor precision on the duplicate assay pairs is most likely due to the low grades of the samples as well as the natural nugget effect of gold.

11.13 Discussion on Quality Control

Quality control on the assays as shown by the results of the Standard Reference Materials is fair to good. Results vary depending on the sampling campaign and laboratory and can be attributed to a variety of causes including different sample handling techniques by different field crews, slightly different preparation and assay techniques at the different laboratories, human error resulting from difficult working conditions and/or lack of training. Sampling campaigns described in this report were aimed at identifying targets for follow-up and the results are not being used in mineral resource estimation. In spite of the poor precision on some of the samples, the results are still considered acceptable for identifying exploration targets.

12 DATA VERIFICATION

12.1.1 Data Validation

The electronic drillhole database was imported into Micromine®; a three dimensional modelling software, during the course of the exploration work. The data was then validated and interrogated by TransAfrika. Surface sampling was validated through quality control routines described in Section 13. Field procedures and core logging were reviewed by Coffey Mining and TransAfrika senior staff during several site visits.

Historical data in some trenches on Segala-Ouest was validated by resampling both the rejects from the original sampling and resampling within the rehabilitated trenches.

12.1.2 Data Quality Summary

The geological and downhole survey data collected to date is considered to be acceptable standards and appropriate for target generation.

The assay data are considered acceptable in terms of both assay precision and accuracy for target generation. The standards data generally report within the targeted ±10% range.

The collar and DTM surveys are of poor accuracy and suitable only for target generation.

The geological and downhole survey data collected to date is considered to be of an acceptable standard and appropriate for use in target generation.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical testwork has been undertaken for any of the permit areas reported here.

14 MINERAL RESOURCE ESTIMATES

No mineral resources or mineral reserves have been estimated as part of this study and report.

15 ADJACENT PROPERTIES

15.1 Introduction

Adjacent Properties discussed below are all operating gold mines near the permit areas Farabantourou, Loulo-Est and Segala-Ouest. Descriptions are taken from various documents available in the public domain. Because these are operating mines, mineral resources reported publically vary with reporting frequency and in most cases total contained metal figure is not available in public sources. Sadiola and Loulo are large deposits with greater than 10Moz of gold while Segala and Tabakoto are small with 1Moz or less declared each. As the TransAfrika projects are still in the exploration phase, the presence of operating gold mines in the region is potential for the presence of gold mineralisation.

For information on mineral resources the reader is directed to the various company websites and, press releases and documents filed with the respective stock exchanges. The Qualified Person has been unable to verify the information related to the NI43-101 mineral resources reported in this section. This information is not necessarily indicative of the mineralisation on the Property that is the subject of this technical report.

15.2 Sadiola

At the Sadiola Mine, operated by AngloGold Ashanti (38% share with Iamgold 38%, Government of Mali 18% and the IFC 6%), mineralization occurs in extensive quartz vein stockworks and zones of silicification in quartzite (Figure 15.2_1 and 15.2_2). The Sadiola deposit is hosted by sediments of the Kofi Formation and occurs along the Sadiola fracture zone (SFZ) a splay of the SMFZ. The sediments consist of fine-grained greywacke, probably distal turbidites, and impure carbonates with minor tuffs and acid volcanics. The sediments are cut by numerous felsic intrusives. The gold mineralization occurs in all rock types over a drilled strike length of approximately 2500 metres. It is associated with a complex alteration pattern and both arsenic and antimony dominated sulphide assemblages. Alteration extends to 220m below surface. An unaltered hard sulphide ore is found below the alteration zone (Robertson, 2004, Iamgold website). Additional data can be found at www.anglogold.com and www.iamgold.com and Iamgold's filings on SEDAR.

Figure 15.2_1
Local Geological Setting of the Sadiola Mine (Anglogold Ashanti)

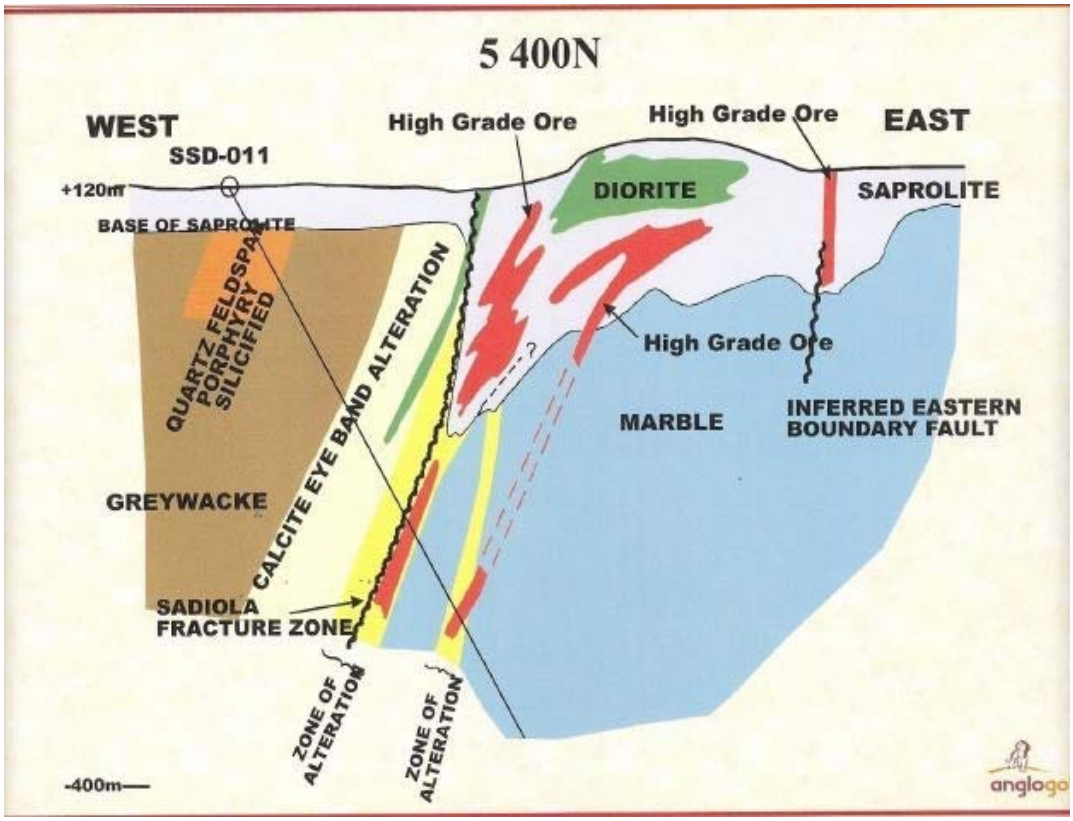
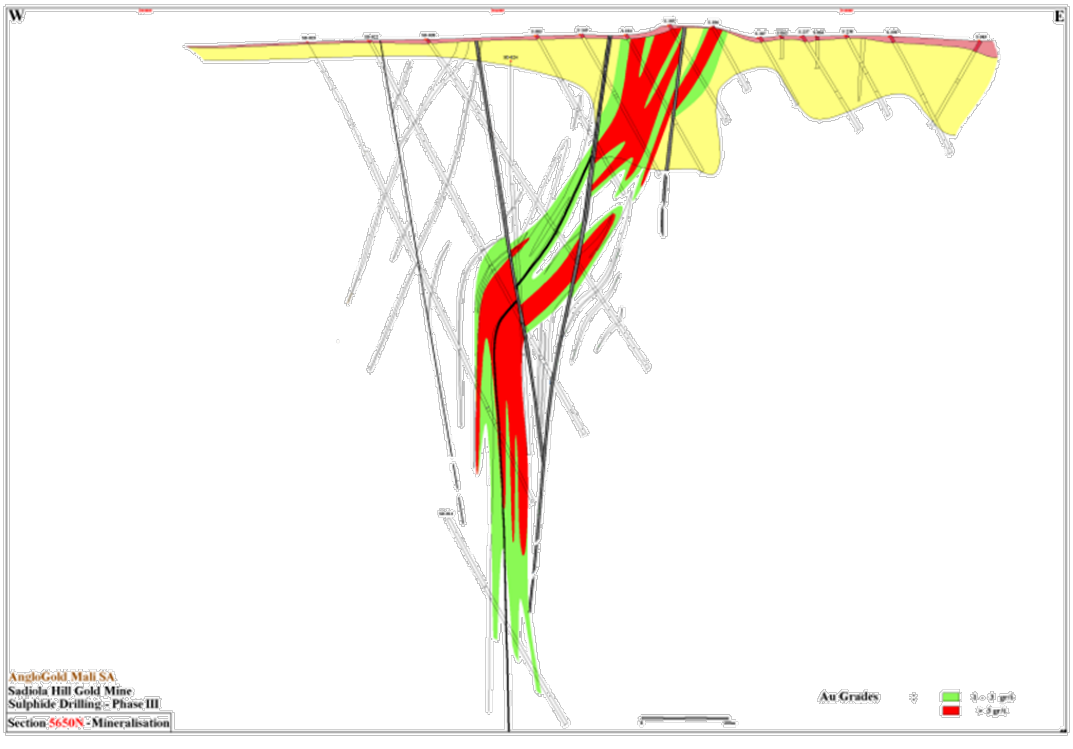


Figure 15.2_2
Typical Cross Section for Sadiola Mine. (Robertson, 2004), (Currie, 2008)



15.3 Segala and Tabakoto

The Segala (Figure 15.3_1) and Tabakoto (Figure 15.3_2 and 15.3_3) Mines are operated by Avion Gold Corporation (also known as Avion Resources Corp). The deposits are similar to the Sadiola deposit with mineralization occurring in quartz vein stockworks. The Tabakoto fracture system is associated with the axial plane of an anticline rather than a fault zone. Details of the deposits can be found in reports filed with the company's documents on SEDAR www.sedar.com or www.aviongoldcorp.com.

Figure 15.3_1
Segala, Cross section showing planned open pit and potential depth extension (Currie, 2008)

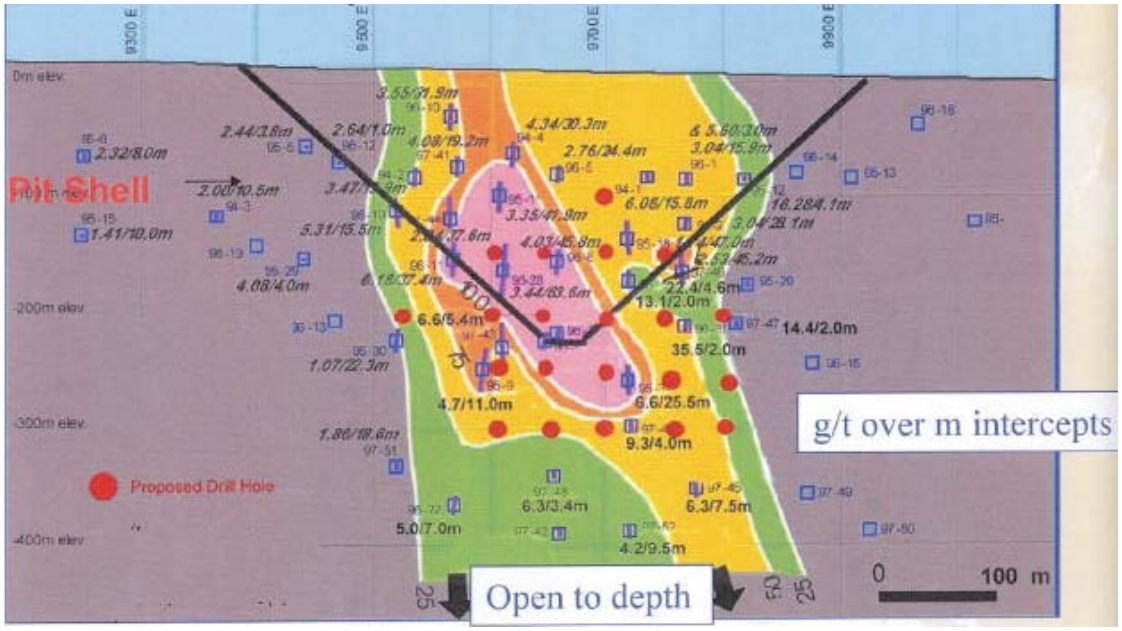


Figure 15.3_2
Conceptual Geology of the Tabakota Deposit

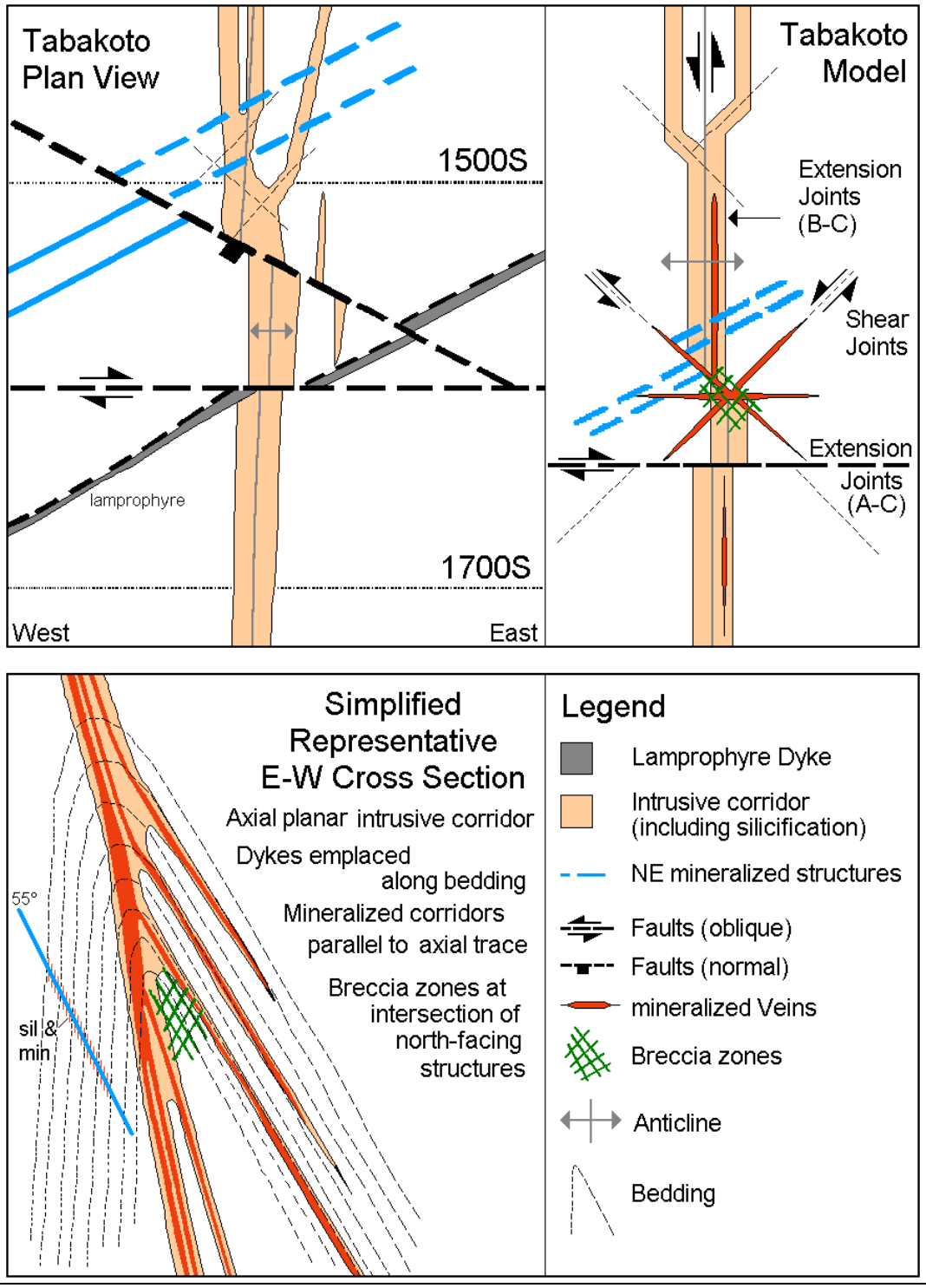
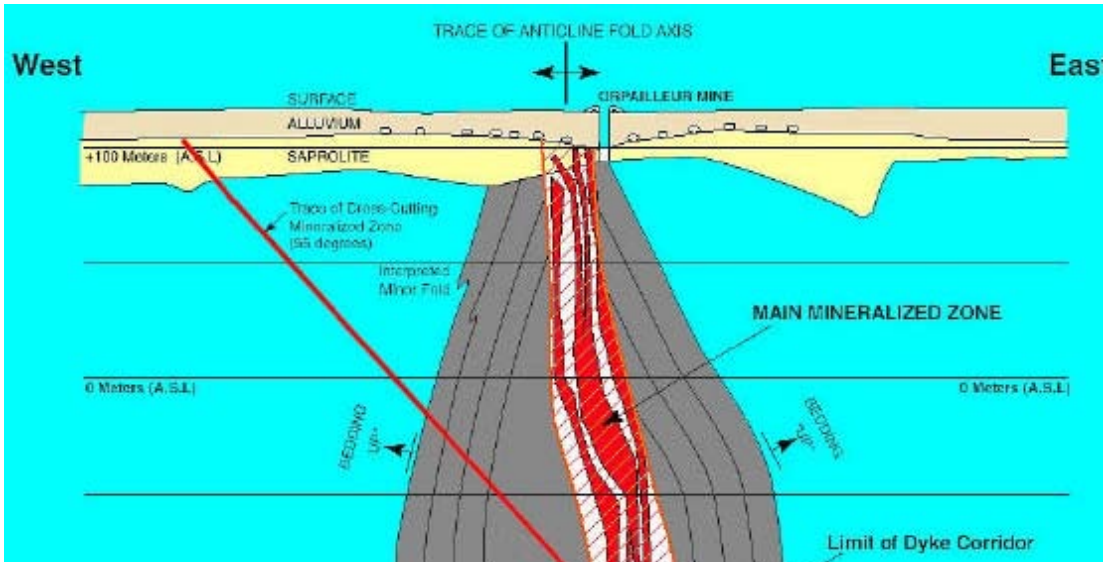


Figure 15.3_3

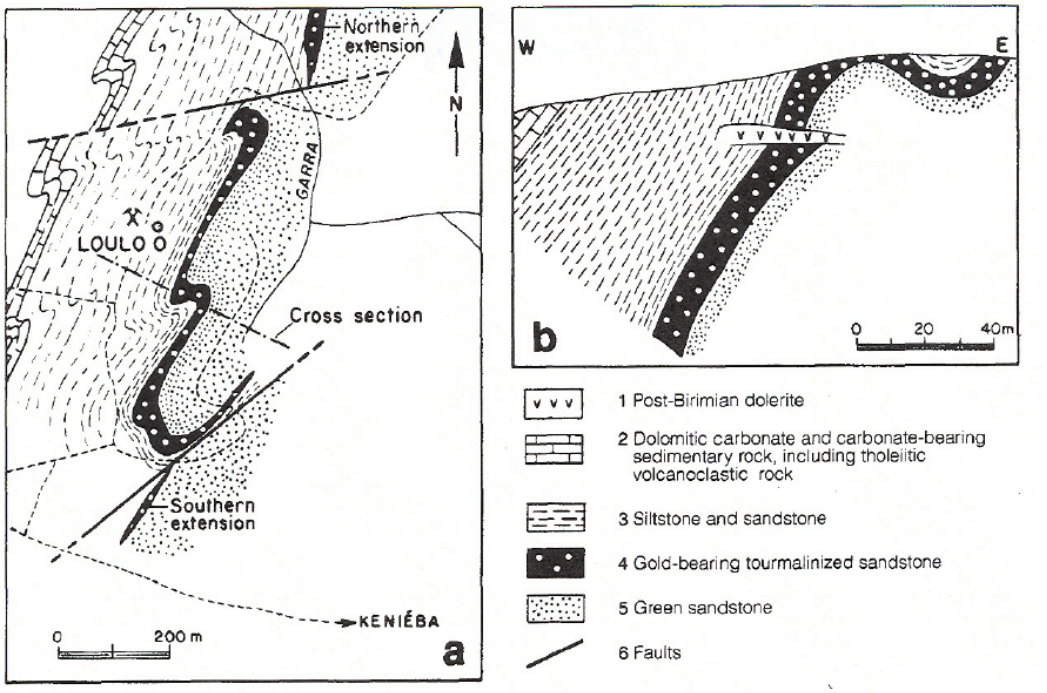
Tabakoto Conceptualized Cross Section (Neilsen, 2004 as referenced in Currie,2008)



15.4 Loulo

The Loulo district of Mali and Senegal contains gold deposits (Figure 15.4_1) hosted by tourmalinized turbidite formations (sandstone and rare conglomerate), that are classified as gold deposits of the "stratiform tourmalinite" and/or "turbidite-hosted deposit" types and which are common in Precambrian shields. The current operation at Loulo (Randgold Resources 80% www.randgoldresources.com) consists of two open pits, Gara and Yalea and an underground operation at Gara is in the final planning stages.

Figure 15.4_1
Typical cross section of Loulo Deposit (Dommanget et al., 1993)

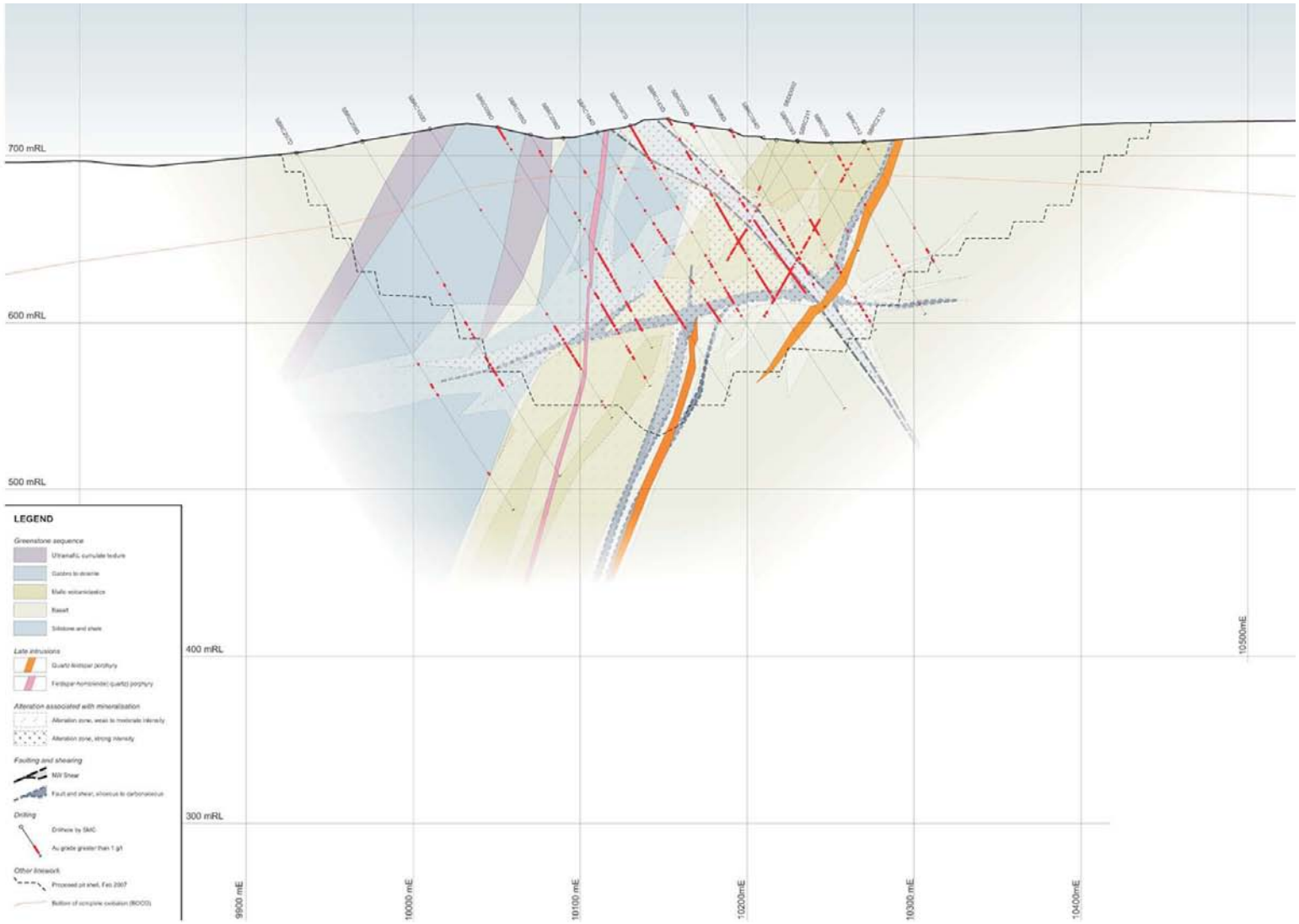


15.5 Sabodala

Sabodala operated by Mineral Deposits Limited (www.mineraldeposits.com.au) is a mesothermal gold-quartz vein deposit with rare polymetallic sulphides (Figure 15.5_1). The mineralized bodies consist of quartz carbonate veins, lenses or stockworks with disseminations of polymetallic sulphides and native gold (Milesi et al, 1992).

Figure 15.5_1

Typical Cross section for Sabodala deposit (Valliant et al, 2007)



16 OTHER RELEVANT DATA AND INFORMATION

No other relevant data is presented at this time.

17 INTERPRETATION AND CONCLUSIONS

The drilling undertaken or contracted by TransAfrika has been completed to industry standard practices. Because the siting of the drillholes was done before a comprehensive target generation exercise had been completed, the results could not give more insight into the local geology and are generally not very useful. Aside from this deficiency, Coffey Mining has reviewed the data and is of the opinion that the rest of the data, soils sampling, trenching and geophysics completed to date, whether undertaken or contracted out, has been completed to an acceptable standard and is fit for purposes of target generation.

17.1 Dag-Dag and Foulaboula

The Foulaboula Permit area shows two soil anomalies on adjacent lines in the regional BRGM data set which have not been tested. The anomalous samples assayed above 100ppb and 1000ppb Au respectively. No other data than some very simplified regional mapping is available. The lack of coherent soil anomalies, a lack of artisanal workings and a lack of strong regional fault trends make the Foulaboula permit an area of low potential for hosting a commercially viable gold deposit.

The Dag-Dag permit has no obvious signs of mineralization on surface. The presence of Birimian meta-sediments is a positive sign but if any mineralization is present it is buried and will take a substantial amount of work to find. Given the lack of prospective bedrock geology, the large amount of transported sediments, and the low values and lack of correlation between the gold and arsenic soils results, it is considered that the gold soil anomalies are probably not indicating gold deposits on the property but rather are from deposits farther away. Soil sampling by TransAfrika on the Dag-Dag permit failed to repeat these anomalies. Coffey Mining does not consider the Dag-Dag Permit area to have a reasonable potential for hosting an important gold deposit or meet the current commercial criteria for TransAfrika.

17.2 Farabantourou

Previous holders of the exploration permit have found several apparently small, low grade deposits. If an economic deposit exists in these areas it is likely to consist of numerous smaller deposits rather than a large one. Mineralization at Farabantourou is hosted by northwest, north and northeast trending structures similar to the operating mines and the descriptions in the public domain reports show similar styles of mineralization. Only Kousilli, Barani and Barani East appear to have any potential. However, the understanding of the geology is poor and the historical drilling programs do not appear to have been well planned. Mineralization was not fully tested and additional work is warranted on the permit area.

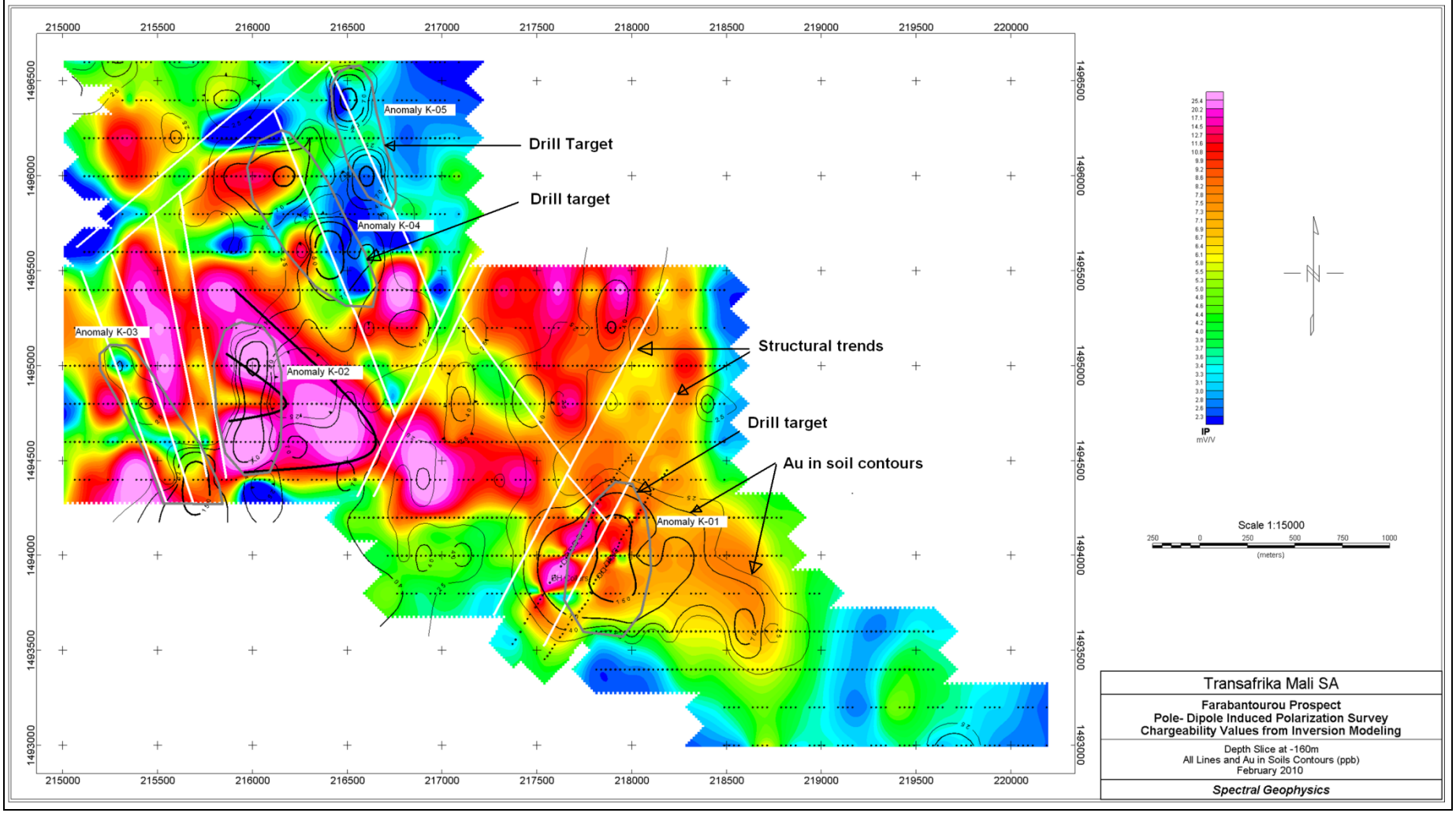
Integration of the structural interpretation on the IP data and soil sampling results in 5 high priority drill targets on Kousilli (Figure 17.2_1 and Table 17.2_1).

Table 17.2_1
Summary of Farabantourou Exploration Targets

Anomaly	Structure	Strike length (m)	Associated chargeable body
K-01	N-NE	850	Yes
K-02	N-NW / N-S	750	Yes
K-03	N-NW	1000	No
K-04	N-NW	900	Yes
K-05	N-NW	900	No

Figure 17.2_1

Map Showing the -160m Chargeability Depth Slice with Au Soil Contours, Interpreted Structural trends and Anomalies Prioritized For Follow-up- Farabantourou Permit



17.3 Loulo-Est and Segala-Ouest

The Loulo-Est and Segala-Ouest permits appear to have the most potential for hosting a gold deposit of small to moderate size. Review of the exploration data collected so far shows structural elements similar to those found on the neighbouring mines and large areas of anomalous gold in soils. Two major lithological contacts interpreted from geophysical data are present on the permits both of which have the potential for mineralization. The presence of felsic dykes which are associated with mineralization on some of the operating mines and seen in some of the trenches upgrades these targets further. Artisanal workings, covering some 500m of strike exposing advanced argillic alteration associated with quartz veins in the central portion of Segala-Ouest. The structural extension of the Segala mine is found on the south eastern part of Loulo-Est.

Soil sampling on Loulo-Est and Segala-Ouest has defined an area of anomalous gold in soil to the west and south of the Yalea granite. The nature and extent of the anomalies has not been fully evaluated. Diamond drilling revealed intense chloritic alteration spatially associated with the contact.

Trenching near artisanal workings confirmed more extensive mineralization in central portion of Segala-Ouest.

Ground magnetic surveys mapped the large scale geology well but are not an appropriate tool for this permit area due to the fine grained magnetite in the laterites which cause excessive noise in the data.

As can be seen in the figures in Section 9, the geology is not well known. There are two different interpretations of the geology on the northern part of Loulo-Est relating to the contact between the clastic sediments and volcano-sedimentary units. Soil sampling outlined soil anomalies but these are poorly defined at present. The anomalies trend north northeast and northwest similar to the structures hosting Tabakoto and Segala deposits and are locally supported by linear features seen in aeromagnetic data.

The IP/resistivity survey clearly defined structures that do not necessarily coincide with the gold in soil anomalies. The survey did define the contacts between the granitoids, volcano-sedimentary units and clastic sediments. Gold bearing intersections were made in drillholes drilled on north-south trending and north–northeast trending structures inferred from IP and resistivity data. The western contact between the granite and the supracrustal rocks appears to have been modified by shearing/faulting as shown on the aeromagnetic data however the link between the structures shown on the IP survey and those shown on the aeromagnetic survey is unknown at this stage

18 RECOMMENDATIONS

Further evaluation of the Loulo-Est, Segala-Ouest and Farabantourou permit areas is warranted. Work programs have been proposed for these areas to include surface mapping, soil sampling, target generation and exploration drilling. Timing of work programs is partially dependent on the weather especially during the rainy seasons where field work is difficult in June, July and August due to flooding.

The phases for the project are defined by both further exploration leading to the target generation stage i.e. Q1-2012 for Loulo-Est/Segala-Ouest (Table 18_1) and decision points associated with permit renewal which require relinquishing of ground (Table 18_1).

Budgets are estimates based on previous field work and drilling and costs for field work are based on expected work on field surveys. Budgets for 2011/2012 and details for work in 2012/2013 to follow-up on targets defined during 2011/2012 are presented.

TransAfrika has terminated field work on Dag Dag and Foulabloula where the potential to host gold mineralization of commercial interest looks poor. No budgets have been provided for these permits.

18.1 Farabantourou

Farabantourou has an initial budget estimated to the end of Q2 2013 (Table 18.1_1). In addition to the initial work, geological mapping will be carried out over the entire permit area with emphasis on structural geology. Once the structure is better understood, drill results from all known prospects should be reinterpreted.

Chargeability maps in the Kousilli area show a fold closure at depth. The chargeable body in the closure should be tested by drilling. Should the assessment be positive a drilling budget has been allowed for from Q1 2013. The nature of the drill programme will be determined by the exploration results.

The following phased exploration program is proposed:

Phase 1: Site establishment, geological mapping, soil sampling, integration of the geology with the IP and soil sample data, trenching and pitting, and drill planning.

The budget to completion of Phase 1 is USD 676,100.

Phase 2: Exploration drilling. This phase depends on the outcome of Phase 1 and was not budgeted

Phase 3: Mineral Resource drilling. This phase was not budgeted

18.2 Loulo-Est and Segala-Ouest

Loulo-Est and Segala-Ouest have a combined budget estimated to the end of Q2 2013 (Table 18.2_1). TransAfrika have applied to the Malian Government and were successful in getting the two permits combined and hence they are considered as one project. The following phased work program is recommended.

Phase 1:

1. The soil sampling should be extended to cover the whole of Segala-Ouest.

   Soil sampling results should be reprocessed using geostatistical estimation methods to identify gold anomalies and trends as this appears to give better results than the simpler contouring methods.

2. Geological mapping of the permits

3. IP Surveys

4. Pitting and trenching

5. Target generation. While various targets have been identified, this has not been done on a fully integrated geological model for the area. A full integrated geological interpretation needs to be undertaken so that the geology can be better understood and targets for follow-up surface surveys can be better delineated.

6. Drill Programme Planning

The budget allows for USD690,100 to complete these activities.

18.3 Coffey Mining Commentary

Coffey Mining considers the exploration rationale to be appropriate for this stage of the projects. Additional funding may be required at a later stage.

Table 18.1_1
Summary of Work Schedules by Permit Area

Permit	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Dag-Dag	No further work recommended				
Farabantourou	IP surveys	Mapping, aeromagnetic surveys, Exploration drilling. Target generation	Resource drilling	Rainy season Drilling and modelling of data	Rainy season Exploration drilling. Metallurgical test work
Loulo-Est Segala-Ouest	Mapping, soils sampling	IP survey, trenching, target generation,	Aeromagnetic survey, Target generation	Exploration Drilling	Resource Drilling Met testwork –where needed.
Foulaboula	No further work recommended				

Table 18.1_1
Summary of Budget for Farabantourou Permit Area

Permit	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Total
Corporate RSA & Mali/Senegal	$67,500	$67,500	$67,500	$67,500	**$270,000**
Logistics & Equipment*	$57,000	$30,300	$30,300	$10,800	**$128,400**
Field Teams & Technical Consulting	$36,400	$36,400	$36,400	$28,500	**$137,700**
Laboratories	$15,500	$15,500	$9,000	$0	**$40,000**
Total	**$176,400**	**$149,700**	**$143,200**	**$106,800**	**$576,100**

Table 18.2_1
Summary of Budgets for Loulo-Est Segala Ouest Area

Permit	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Total
Corporate RSA & Mali	$67,500	$67,500	$67,500	$67,500	**$270,000**
Logistics & Equipment*	$57,000	$30,300	$55,300	$10,800	**$153,400**
Field Teams & Technical Consulting	$36,400	$36,400	$126,400	$28,500	**$227,700**
Laboratories	$15,000	$15,000	$9,000	$0	**$39,000**
Total	**$175,900**	**$149,200**	**$258,200**	**$106,800**	**$690,100**

19 REFERENCES

Currie, DA; 2008. Overview of the Geology and Exploration Potential of the Tabakoto and Ségala Properties Mali- West Africa; April 2008. Report prepared for Avion Resources Corporation by Gwynva Resources Management Inc.

Dommanget, A, Milesi, J.P and Diallo, M; The Loulo gold and tourmaline-bearing deposit. A polymorph type in the Early Proterozoic of Mali (West Africa), Mineral Deposits v28 pp 253-263. 1993

Eisenlohr, B.N, Hirdes, W; The Structural Development of the early Proterozoic Birimian and Tarkwaian rocks of southwest Ghana, West Africa. Journal of African Earth Sciences v 14 no 3 pp 313-325. 1992

GQL, 2003 Great Quest Metals Intersects Gold Values in All Three Zones Grilled. Press release, Great Quest Metals Ltd 18 July 2003, Vancouver

Hyde, R. 2001. Sepola Project Exploration Report August 2001-Hyundai Mail SA. Resource Services Group, Perth

Hyde, R; Exploration Report August 2001. Report prepared for Hyundai Mali S.A. August 2001.

Hyundai Mali 2004. Rapport Définitif des Travaux D'Exploration Sur le Projet Sepola Effectués par Hyundai Mali SA

Kušnir, I; Gold in Mali. Ročnik 4 pp 311-318. 1999

MacKay LLP, 2005. Great Quest Metals, Ltd. Financial Statements, MacKay LLP-Chartered Accountants, Vancouver, December 31, 2005. Filed on SEDAR.

MacKay LLP, 2006. Great Quest Metals, Ltd. Financial Statements, MacKay LLP-Chartered Accountants, Vancouver, December 31, 2006. Filed on SEDAR.

Milesi, J.P, Ledru, P, Feybesse, J.L, Dommanget, A, and Marcoux, E; Early Proterozoic ore deposits and tectonics of the Birimian orogenic belt, West Africa. Precambrian Research, v58 pp 305-344. 1992

Mitchell. MA,2002. Summary Report on the Bordala Area Mining Concessions, Baroya Area Mining Concession, the Kéniéba Mining Concession and the Baoulé River/Winza Mining Concession South West Mali, West Africa. Mitchell geological

Services Inc, Vancouver Canada

Robertson, D; A Technical Report on the Sadiola Gold Mine, Mali; May 2004. Report prepared for Iamgold Corporation.

Valiant,WW; Postle, JT and Scott KC; Technical Report of the Sabodala Gold Project, Southeast Senegal, Africa; November 2007. Report Prepared for Mineral Deposits Limited by Scott Wilson Roscoe Postle Associates Inc.

Verely, C...

http://en.wikipedia.org/wiki/File:Dakar-Ndjamena_Highway_Map.PNG

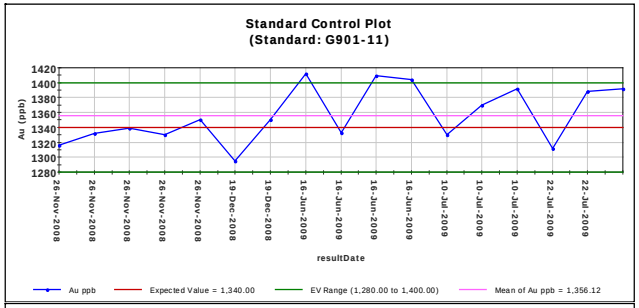
Appendix A

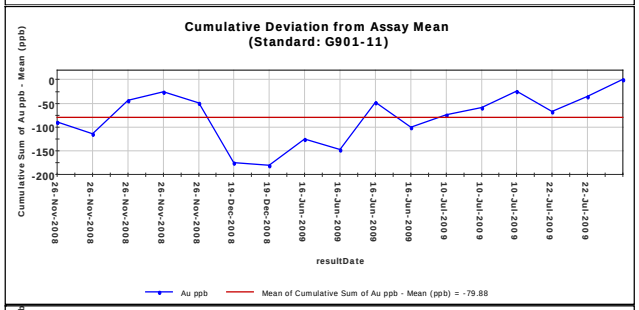
Farabantourou QA/QC Plots

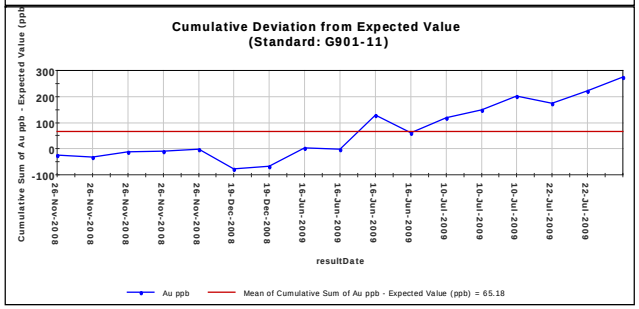
Appendix A_1

Farabantourou Soil Sampling Gold Standard G901-11

Standard:	G901-11	No of Analyses:	17
Element:	Au	Minimum:	1,295.00
Units:		Maximum:	1,412.00
Detection Limit:		Mean:	1,356.12
Expected Value (EV):	1,340.00	Std Deviation:	36.08
E.V. Range:	1,280.00 to 1,400.00	% in Tolerance	82.35 %
		% Bias	1.20 %
		% RSD	2.66 %



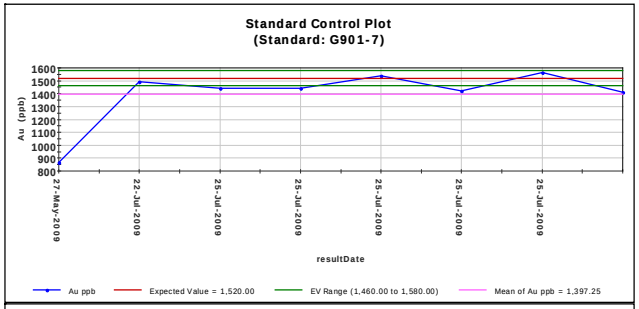


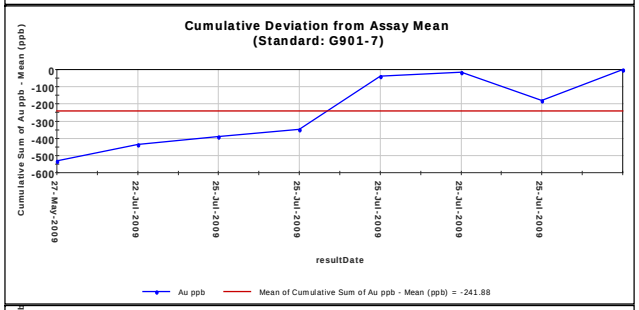


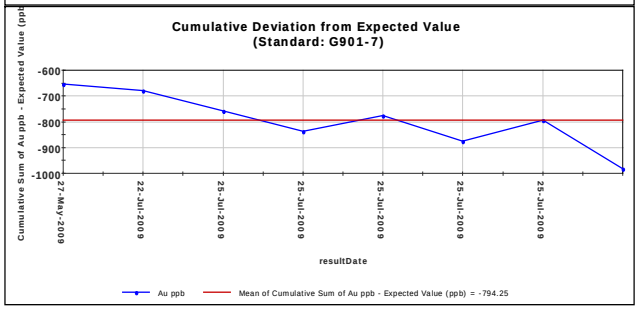
1. Appendix A_2

2. Farabantourou Soil Sampling Gold Standard G901-7

Standard:	G901-7	No of Analyses:	8
Element:	Au	Minimum:	867.00
Units:		Maximum:	1,563.00
Detection Limit:		Mean:	1,397.25
Expected Value (EV):	1,520.00	Std Deviation:	206.87
E.V. Range:	1,460.00 to 1,580.00	% in Tolerance	37.50 %
		% Bias	-8.08 %
		% RSD	14.81 %



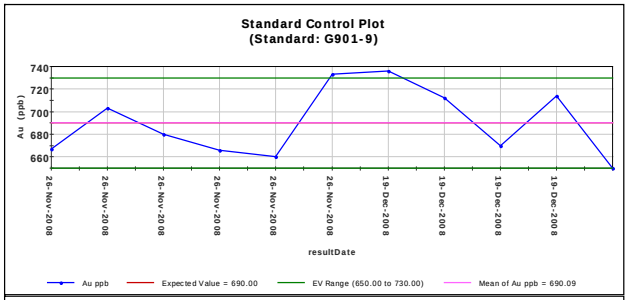


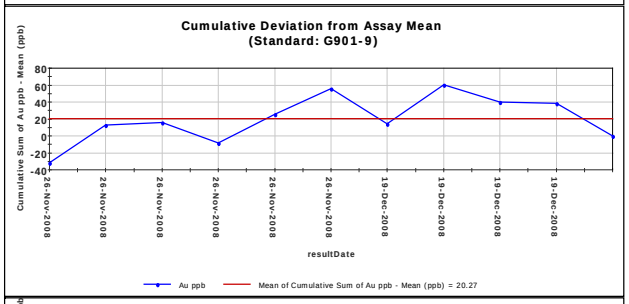


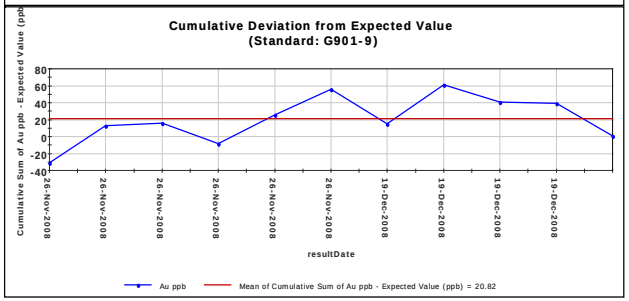
Appendix A_3

Farabantourou Soil Sampling Gold Standard G901-9

Standard:	G901-9	No of Analyses:	11
Element:	Au	Minimum:	650.00
Units:		Maximum:	736.00
Detection Limit:		Mean:	690.09
Expected Value (EV):	690.00	Std Deviation:	29.07
E.V. Range:	650.00 to 730.00	% in Tolerance	81.82 %
		% Bias	0.01 %
		% RSD	4.21 %



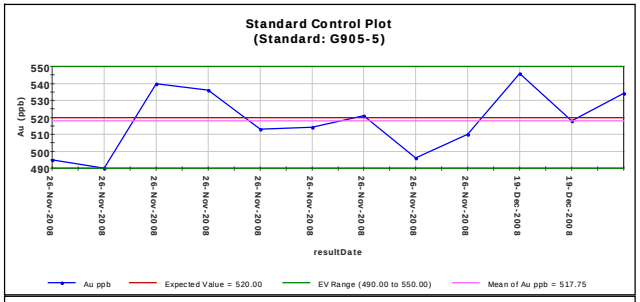


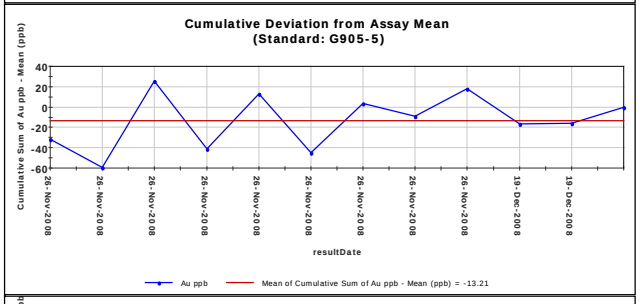


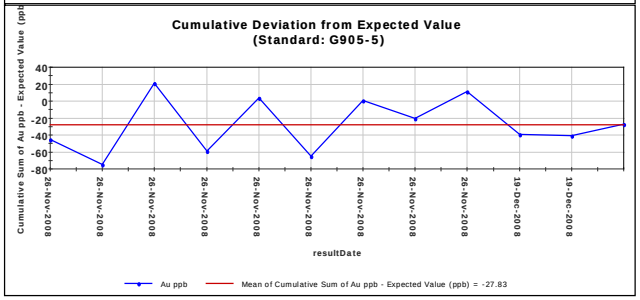
Appendix A_4

Farabantourou Soil Sampling Gold Standard G905-5

Standard:	G905-5	No of Analyses:	12
Element:	Au	Minimum:	490.00
Units:		Maximum:	546.00
Detection Limit:		Mean:	517.75
Expected Value (EV):	520.00	Std Deviation:	17.70
E.V. Range:	490.00 to 550.00	% in Tolerance	100.00 %
		% Bias	-0.43 %
		% RSD	3.42 %



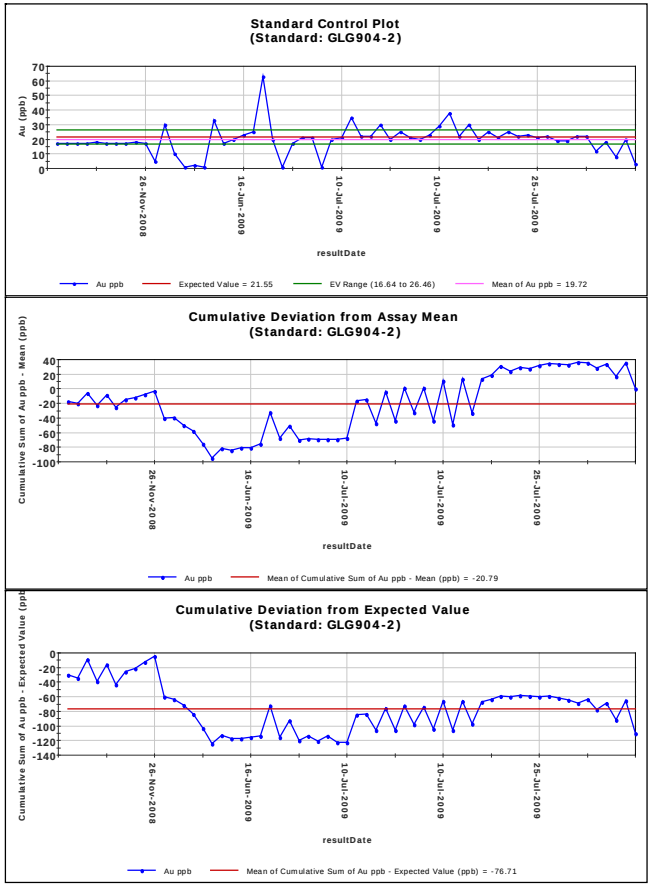




Appendix A_5

Farabantourou Soil Sampling Gold Standard GLG904-2

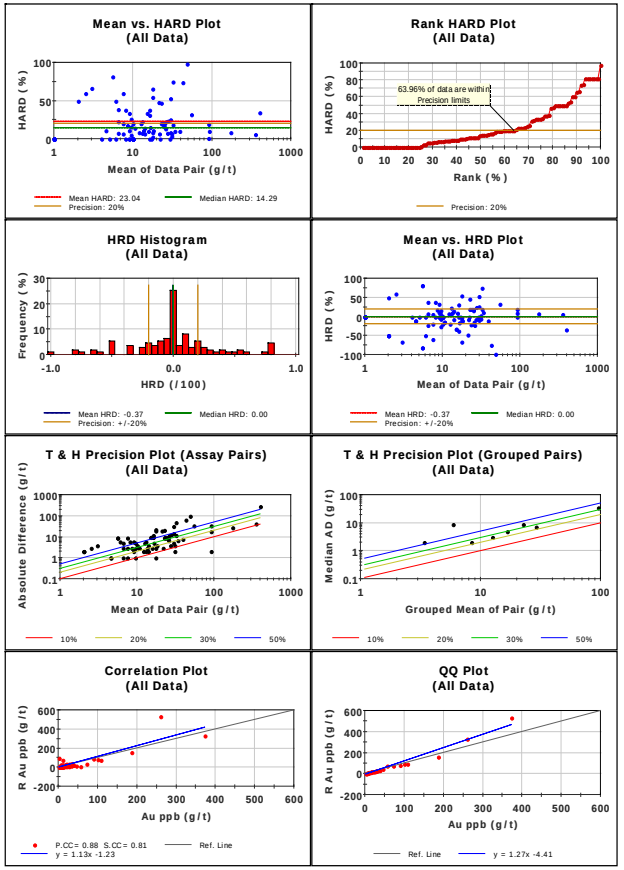
Standard:	GLG904-2	No of Analyses:	60
Element:	Au	Minimum:	1.00
Units:		Maximum:	63.00
Detection Limit:		Mean:	19.72
Expected Value (EV):	21.55	Std Deviation:	9.83
E.V. Range:	16.64 to 26.46	% in Tolerance	70.00 %
		% Bias	-8.51 %
		% RSD	49.86 %



Appendix A_6

Farabantourou Soil Sampling Gold Duplicates

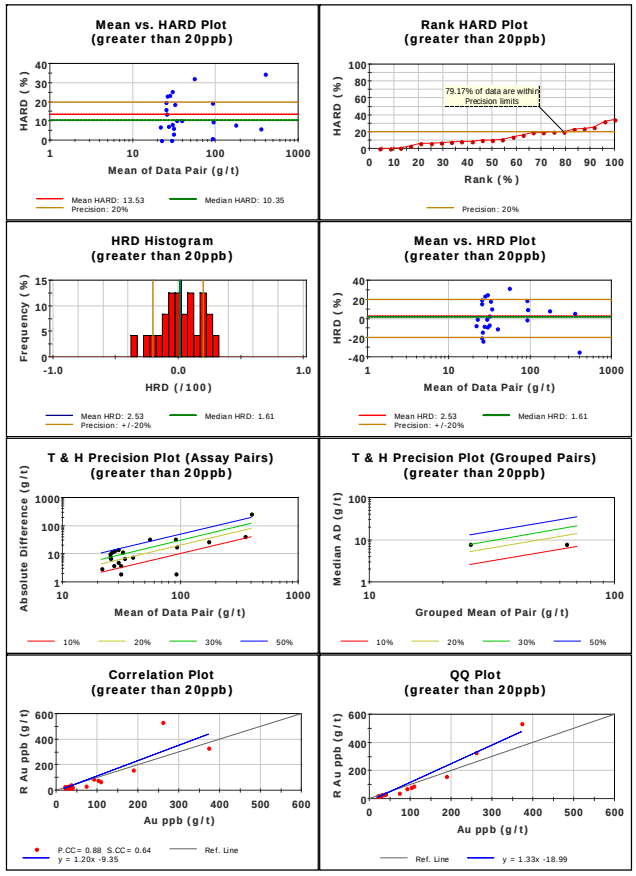
	Au ppb	R Au ppb	Units		Result
No. Pairs:	111	111		Pearson CC:	0.88
Minimum:	1.00	1.00	g/t	Spearman CC:	0.81
Maximum:	373.00	534.00	g/t	Mean HARD:	23.04
Mean:	22.97	24.70	g/t	Median HARD:	14.29
Median	10.00	10.00	g/t		
Std. Deviation:	47.34	61.07	g/t	Mean HRD:	-0.37
Coefficient of Variation:	2.06	2.47		Median HRD	0.00



Appendix A_7

Farabantourou Soil Sampling Gold Duplicates >20 ppb

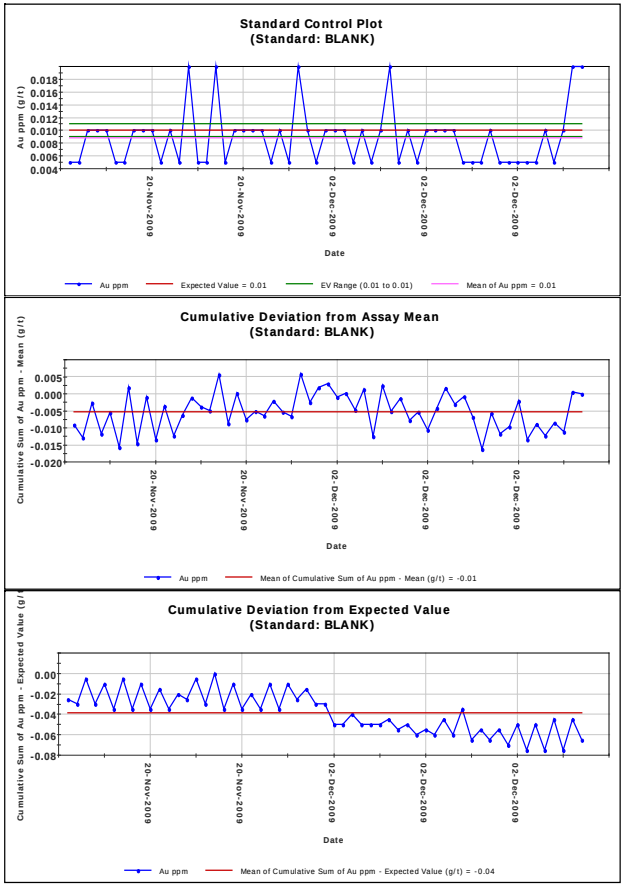
	Au ppb	R Au ppb	Units		Result
No. Pairs:	24	24		Pearson CC:	0.88
Minimum:	20.00	20.00	g/t	Spearman CC:	0.64
Maximum:	373.00	534.00	g/t	Mean HARD:	13.53
Mean:	69.88	74.21	g/t	Median HARD:	10.35
Median	33.00	30.00	g/t		
Std. Deviation:	85.20	116.11	g/t	Mean HRD:	2.53
Coefficient of Variation:	1.22	1.56		Median HRD	1.61



Appendix A_8

Farabantourou RC Drilling Gold Blanks.

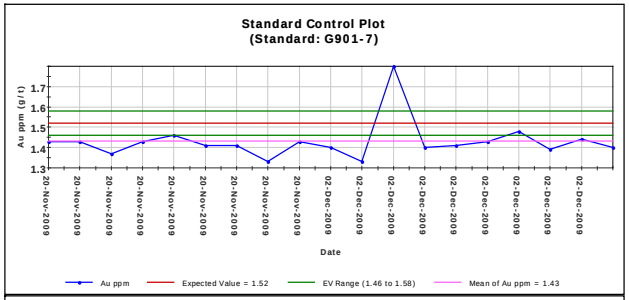
Standard:	BLANK	No of Analyses:	57
Element:	Au ppm	Minimum:	0.01
Units:		Maximum:	0.02
Detection Limit:		Mean:	0.01
Expected Value (EV):	0.01	Std Deviation:	0.00
E.V. Range:	0.01 to 0.01	% in Tolerance	45.61 %
		% Bias	-11.40 %
		% RSD	50.72 %

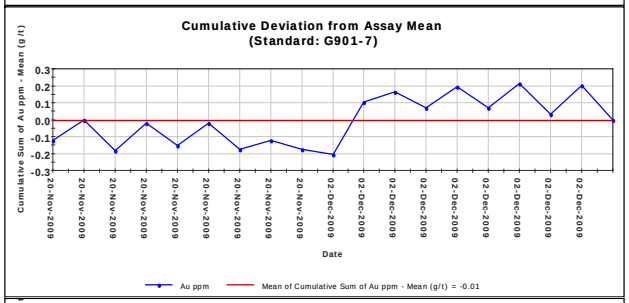


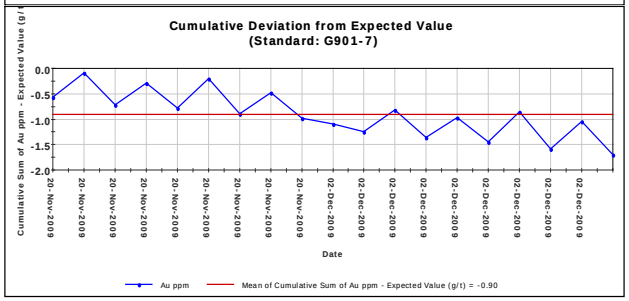
Appendix A_9

Farabantourou RC Drilling Gold Standard G901-7

Standard:	G901-7	No of Analyses:	19
Element:	Au ppm	Minimum:	1.33
Units:		Maximum:	1.80
Detection Limit:		Mean:	1.43
Expected Value (EV):	1.52	Std Deviation:	0.09
E.V. Range:	1.46 to 1.58	% in Tolerance	5.26 %
		% Bias	-5.89 %
		% RSD	6.60 %



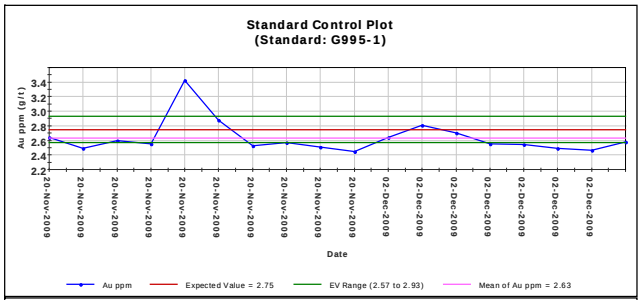


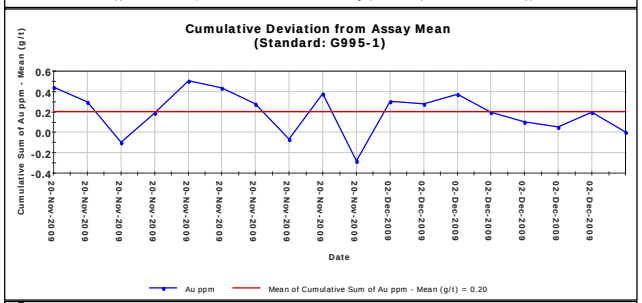


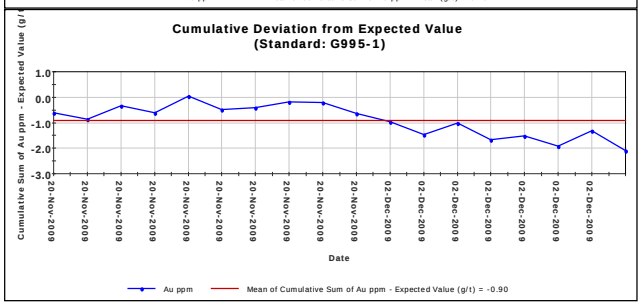
Appendix A_10

Farabantourou RC Drilling Gold Standard G995-1

Standard:	G995-1	No of Analyses:	18
Element:	Au ppm	Minimum:	2.45
Units:		Maximum:	3.42
Detection Limit:		Mean:	2.63
Expected Value (EV):	2.75	Std Deviation:	0.22
E.V. Range:	2.57 to 2.93	% in Tolerance	44.44 %
		% Bias	-4.22 %
		% RSD	8.38 %

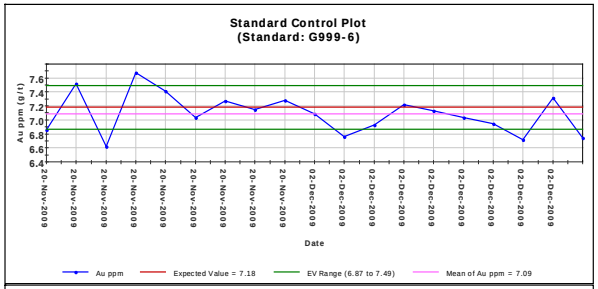


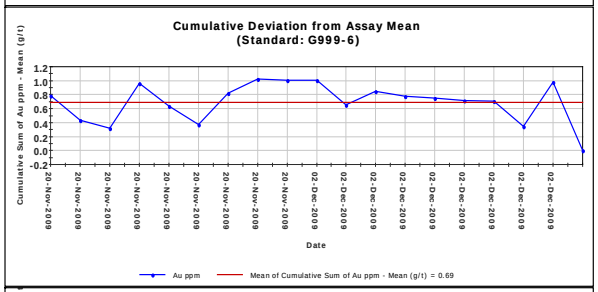


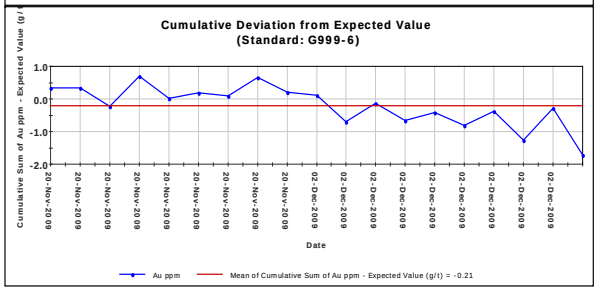


Appendix A_11
Farabantourou RC Drilling Gold Standard G999-6

Standard:	G999-6	No of Analyses:	19
Element:	Au ppm	Minimum:	6.62
Units:		Maximum:	7.68
Detection Limit:		Mean:	7.09
Expected Value (EV):	7.18	Std Deviation:	0.28
E.V. Range:	6.87 to 7.49	% in Tolerance	63.16 %
		% Bias	-1.25 %
		% RSD	3.93 %

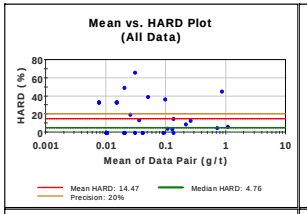


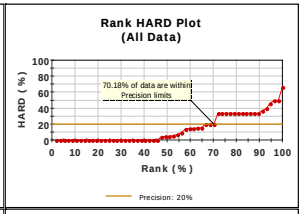


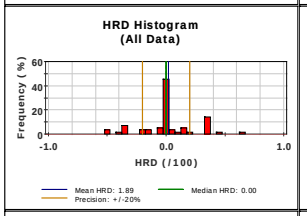


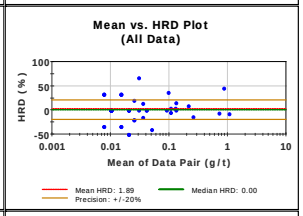
Appendix A_12
Farabantourou RC Drilling Gold Duplicates

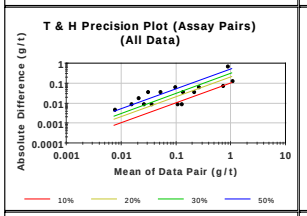
	Au ppm	R Au ppm	Units		Result
No. Pairs:	57	57		Pearson CC:	0.87
Minimum:	0.01	0.01	g/t	Spearman CC:	0.97
Maximum:	1.24	1.12	g/t	Mean HARD:	14.47
Mean:	0.09	0.08	g/t	Median HARD:	4.76
Median	0.02	0.02	g/t		
Std. Deviation:	0.22	0.18	g/t	Mean HRD:	1.89
Coefficient of Variation:	2.46	2.36		Median HRD	0.00

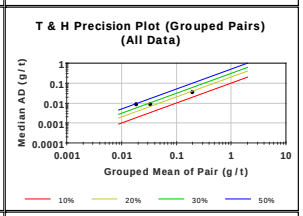


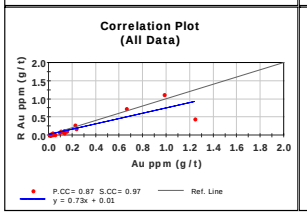


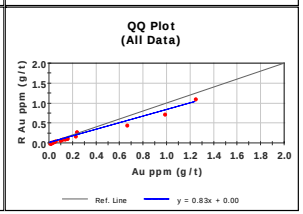








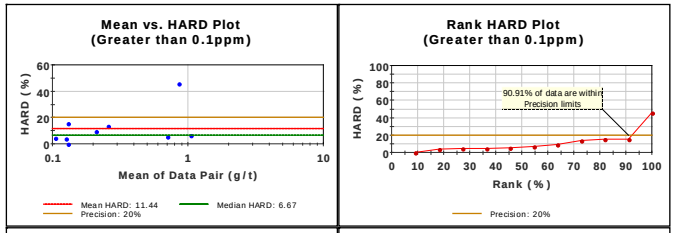


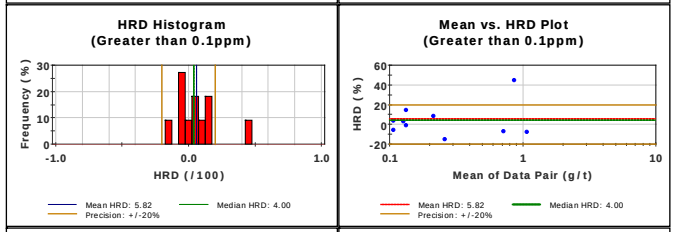


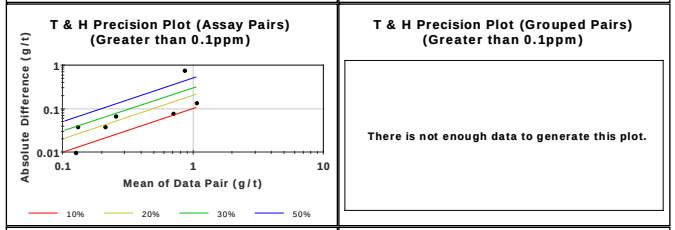
Appendix A_13

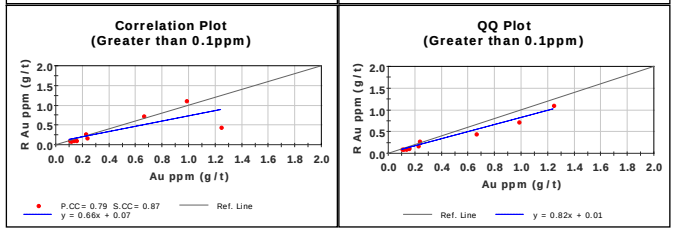
Farabantourou RC Drilling Gold Duplicates >0.1ppm.

	Au ppm	R Au ppm	Units		Result
No. Pairs:	11	11		Pearson CC:	0.79
Minimum:	0.10	0.10	g/t	Spearman CC:	0.87
Maximum:	1.24	1.12	g/t	Mean HARD:	11.44
Mean:	0.37	0.32	g/t	Median HARD:	6.67
Median	0.15	0.13	g/t		
Std. Deviation:	0.38	0.32	g/t	Mean HRD:	5.82
Coefficient of Variation:	1.03	1.00		Median HRD	4.00









Appendix B

Loulo-Est QA/QC Plots

Appendix B_1

Loulo-Est Soil Sampling Gold Standard G901-11

Standard:	G901-11	No of Analyses:	13
Element:	Au	Minimum:	1,247.00
Units:		Maximum:	1,375.00
Detection Limit:		Mean:	1,317.77
Expected Value (EV):	1,340.00	Std Deviation:	35.83
E.V. Range:	1,280.00 to 1,400.00	% in Tolerance	84.62 %
		% Bias	-1.66 %
		% RSD	2.72 %

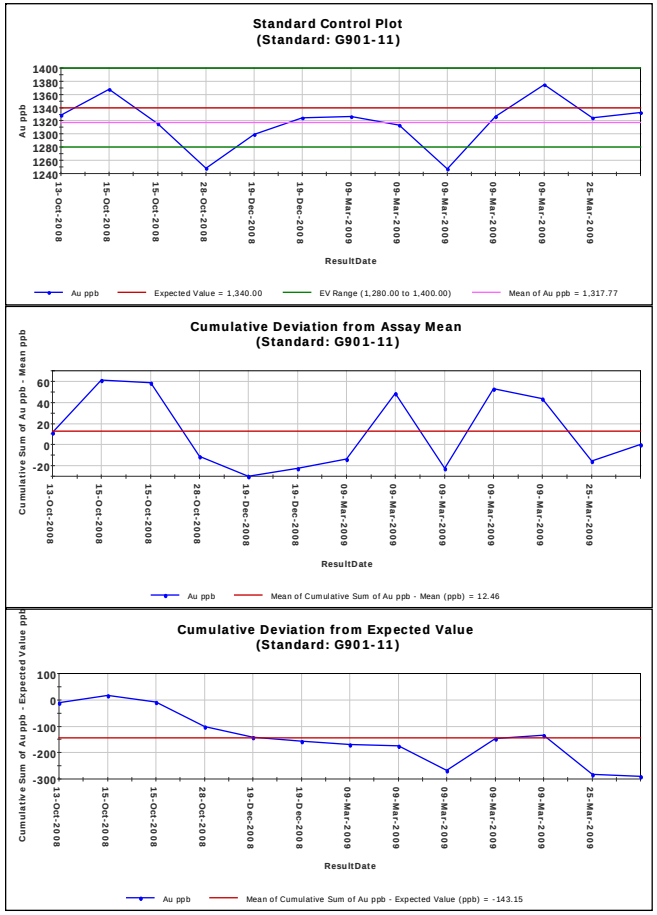
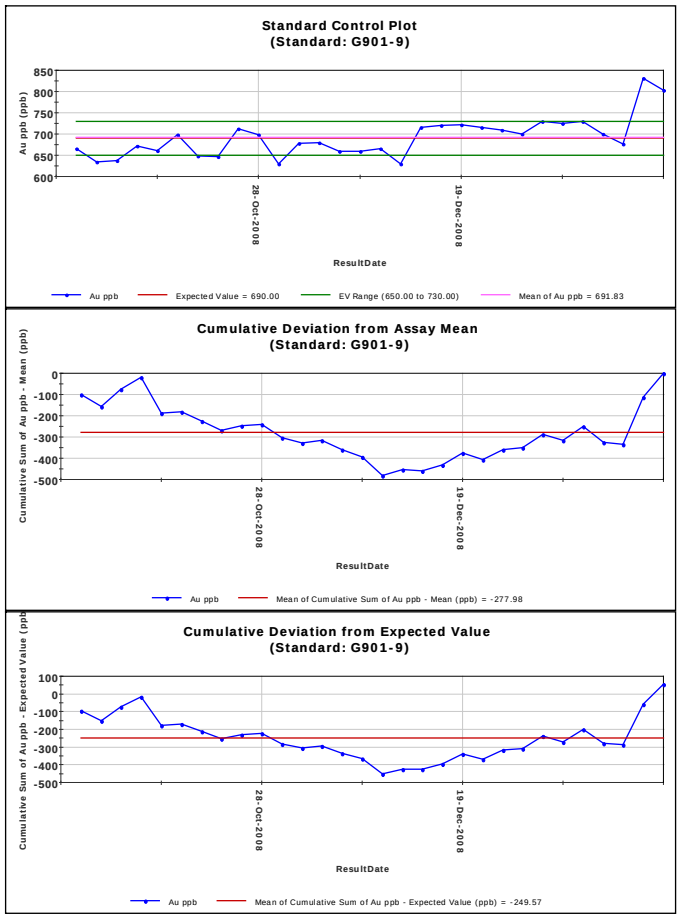


Figure Appendix B_2

Loulo-Est Soil Sampling Gold Standard G901_9

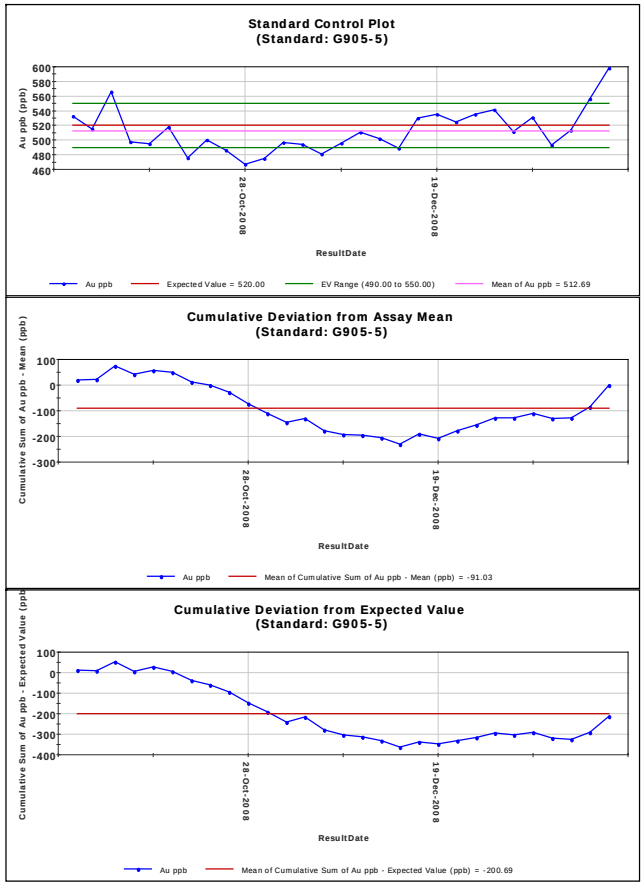
Standard:	G901-9	No of Analyses:	30
Element:	Au	Minimum:	630.00
Units:		Maximum:	831.00
Detection Limit:		Mean:	691.83
Expected Value (EV):	690.00	Std Deviation:	45.63
E.V. Range:	650.00 to 730.00	% in Tolerance	73.33 %
		% Bias	0.27 %
		% RSD	6.60 %



Appendix B_3

Loulo-Est Soils Sampling Gold Standard G905-5

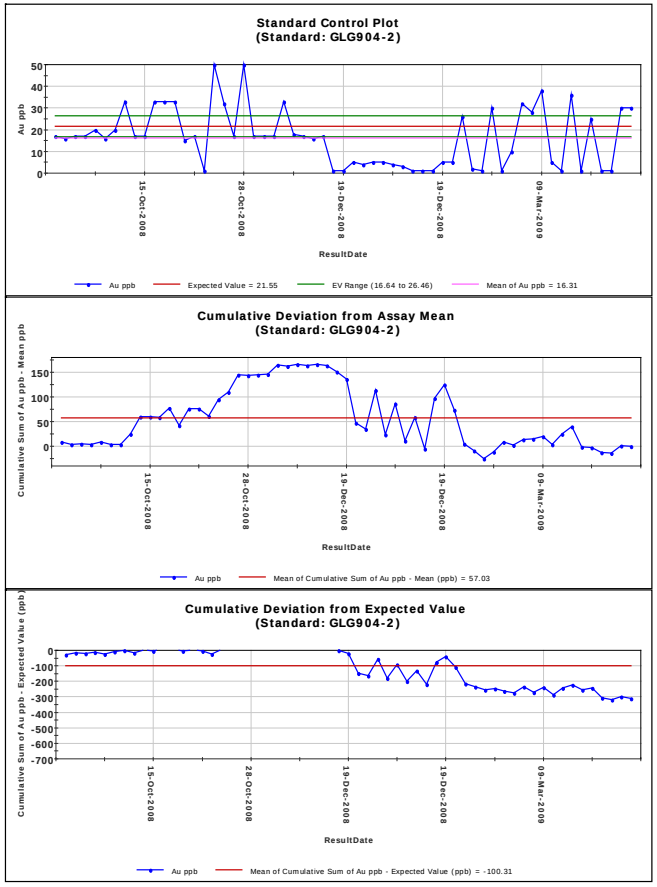
Standard:	G905-5	No of Analyses:	29
Element:	Au	Minimum:	467.00
Units:		Maximum:	598.00
Detection Limit:		Mean:	512.69
Expected Value (EV):	520.00	Std Deviation:	28.90
E.V. Range:	490.00 to 550.00	% in Tolerance	68.97 %
		% Bias	-1.41 %
		% RSD	5.64 %



Appendix B_4

Loulo-Est Soil Sampling Gold Standard GLG904-2

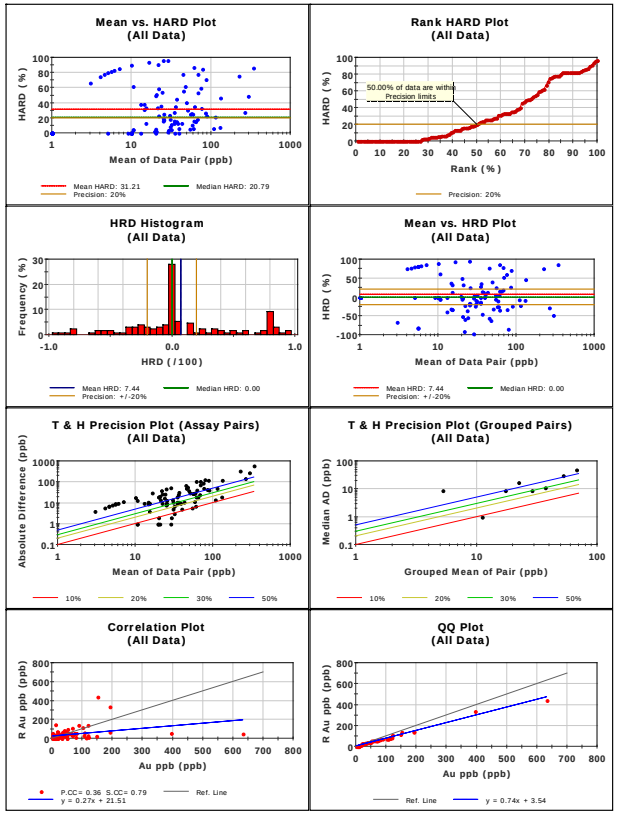
Standard:	GLG904-2	No of Analyses:	59
Element:	Au	Minimum:	1.00
Units:		Maximum:	50.00
Detection Limit:		Mean:	16.31
Expected Value (EV):	21.55	Std Deviation:	13.16
E.V. Range:	16.64 to 26.46	% in Tolerance	28.81 %
		% Bias	-24.34 %
		% RSD	80.74 %



Appendix B_5

Loulo-Est Soil Sampling Gold Duplicates

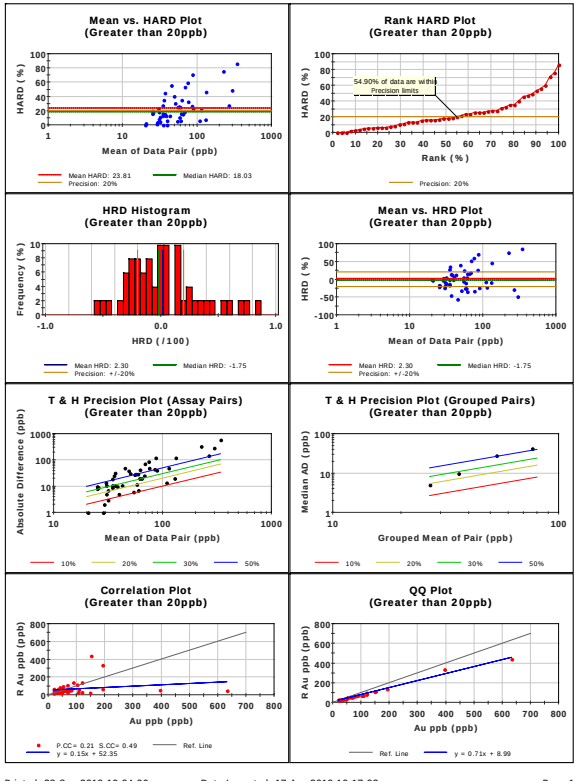
	Au ppb	R Au ppb	Units		Result
No. Pairs:	132	132		Pearson CC:	0.36
Minimum:	1.00	1.00	ppb	Spearman CC:	0.79
Maximum:	633.00	440.00	ppb	Mean HARD:	31.21
Mean:	38.18	31.95	ppb	Median HARD:	20.79
Median	18.50	19.00	ppb		
Std. Deviation:	71.62	53.76	ppb	Mean HRD:	7.44
Coefficient of Variation:	1.88	1.68		Median HRD	0.00



Appendix B_6

Loulo-Est Soil Sampling Gold Duplicates > 20ppb

	Au ppb	R Au ppb	Units		Result
No. Pairs:	51	51		Pearson CC:	0.21
Minimum:	20.00	20.00	ppb	Spearman CC:	0.49
Maximum:	633.00	440.00	ppb	Mean HARD:	23.81
Mean:	77.51	64.10	ppb	Median HARD:	18.03
Median	44.00	40.00	ppb		
Std. Deviation:	100.48	71.93	ppb	Mean HRD:	2.30
Coefficient of Variation:	1.30	1.12		Median HRD	-1.75



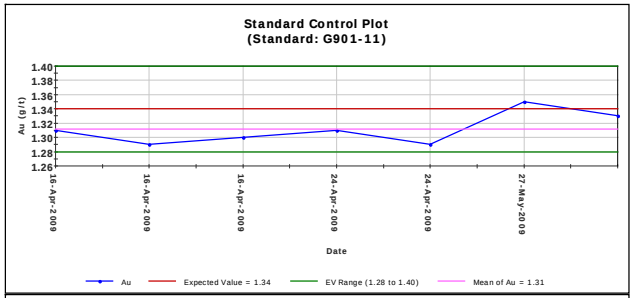
Appendix B_7

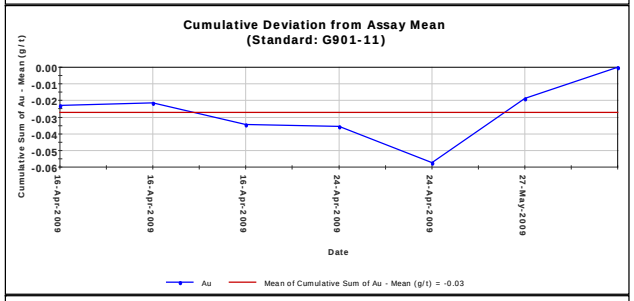
Loulo-Est Auger and Trench Sampling Gold Standard G901-11

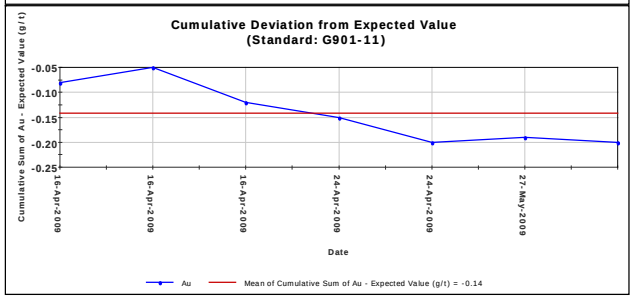
Appendix B_8

Loulo-Est Auger and Trench Sampling Gold Standard G901-9

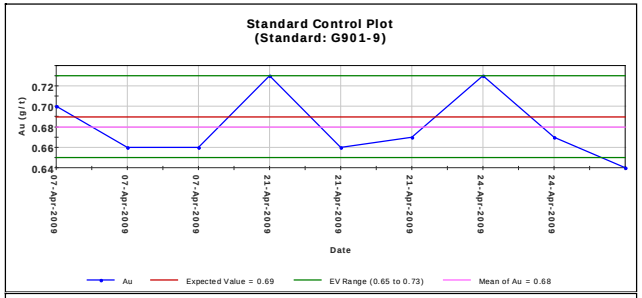
Standard:	G901-11	No of Analyses:	7
Element:	Au	Minimum:	1.29
Units:		Maximum:	1.35
Detection Limit:	-	Mean:	1.31
Expected Value (EV):	1.34	Std Deviation:	0.02
E.V. Range:	1.28 to 1.40	% in Tolerance	100.00 %
		% Bias	-2.13 %
		% RSD	1.55 %

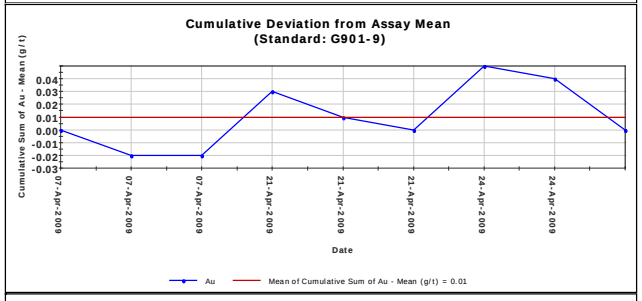


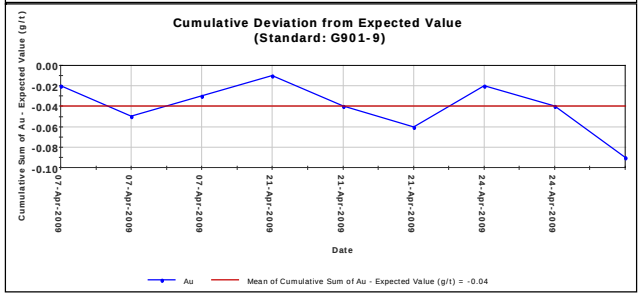




Standard:	G901-9	No of Analyses:	9
Element:	Au	Minimum:	0.64
Units:		Maximum:	0.73
Detection Limit:	-	Mean:	0.68
Expected Value (EV):	0.69	Std Deviation:	0.03
E.V. Range:	0.65 to 0.73	% in Tolerance	88.89 %
		% Bias	-1.45 %
		% RSD	4.49 %



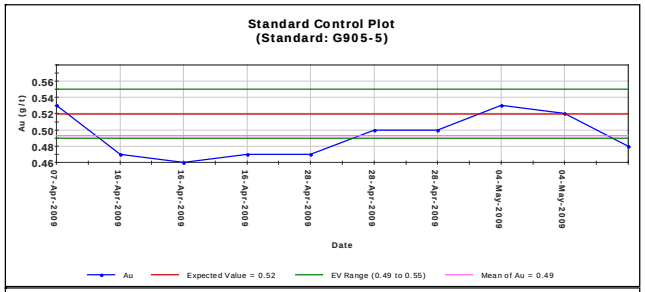


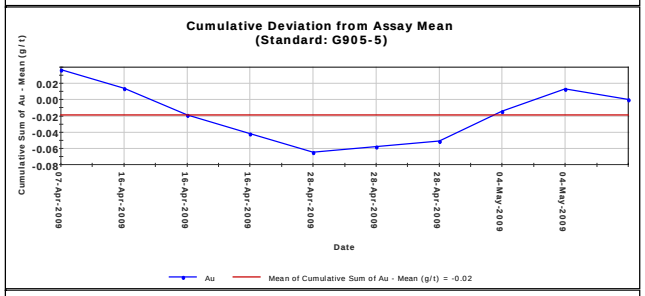


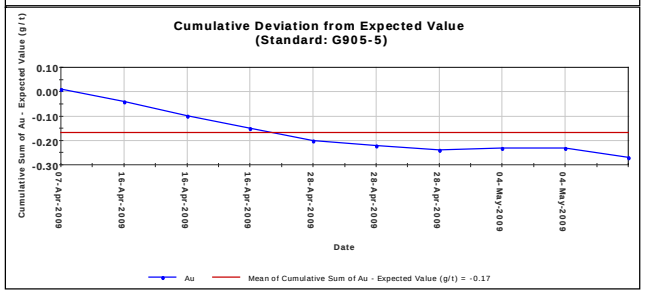
Appendix B_9

Loulo-Est Auger and Trench Sampling Gold Standard G905-5

Standard:	G905-5	No of Analyses:	10
Element:	Au	Minimum:	0.46
Units:		Maximum:	0.53
Detection Limit:	-	Mean:	0.49
Expected Value (EV):	0.52	Std Deviation:	0.03
E.V. Range:	0.49 to 0.55	% in Tolerance	50.00 %
		% Bias	-5.19 %
		% RSD	5.14 %



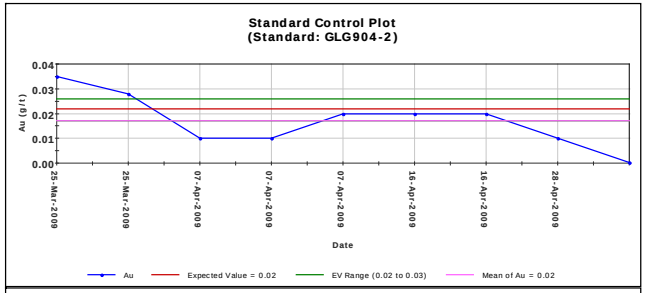


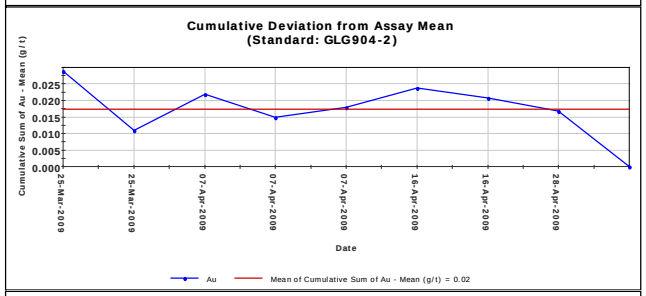


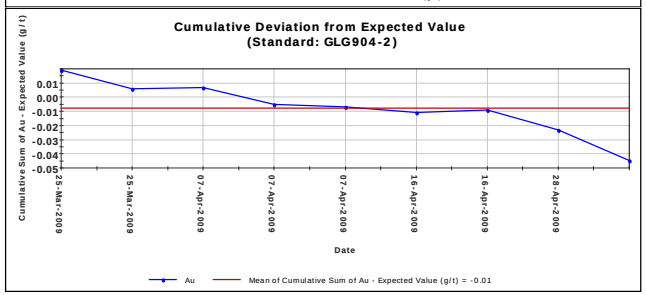
Appendix B_10

Loulo-Est Auger and Trench Sampling Gold Standard GLG904-2

Standard:	GLG904-2	No of Analyses:	9
Element:	Au	Minimum:	0.00
Units:		Maximum:	0.04
Detection Limit:	-	Mean:	0.02
Expected Value (EV):	0.02	Std Deviation:	0.01
E.V. Range:	0.02 to 0.03	% in Tolerance	33.33 %
		% Bias	-22.60 %
		% RSD	58.71 %



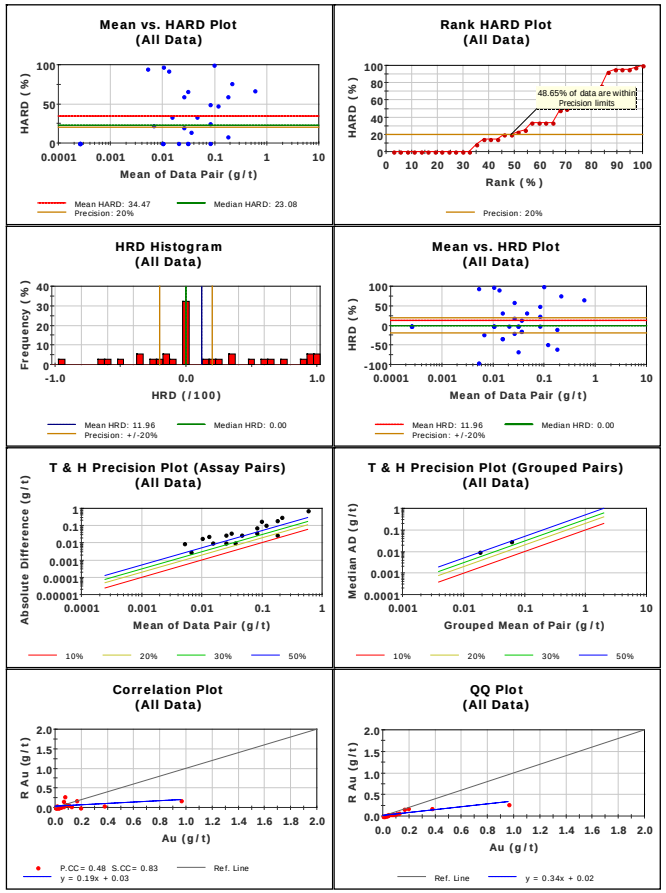




Appendix B_11

Loulo-Est Auger and Trench Sampling Gold Duplicates

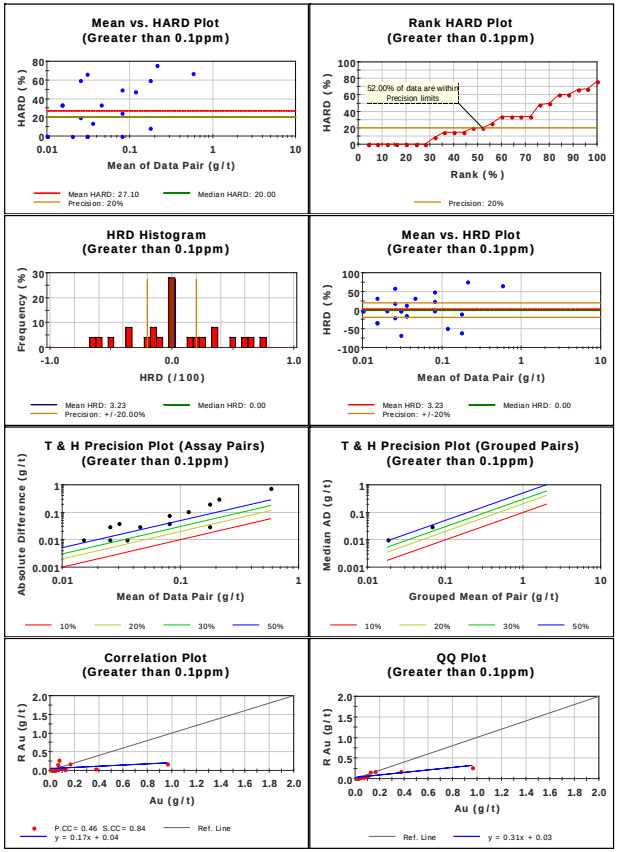
	Au	R Au	Units		Result
No. Pairs:	37	37		Pearson CC:	0.48
Minimum:	0.00	0.00	g/t	Spearman CC:	0.83
Maximum:	0.96	0.28	g/t	Mean HARD:	34.47
Mean:	0.07	0.04	g/t	Median HARD:	23.08
Median	0.02	0.02	g/t		
Std. Deviation:	0.16	0.06	g/t	Mean HRD:	11.96
Coefficient of Variation:	2.34	1.56		Median HRD	0.00



Appendix B_12

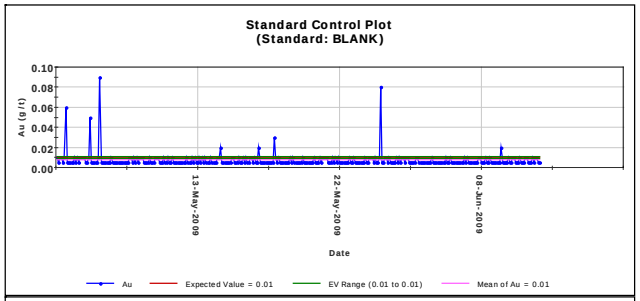
Loulo-Est Auger and Trench Sampling Gold Duplicates >0.1ppm

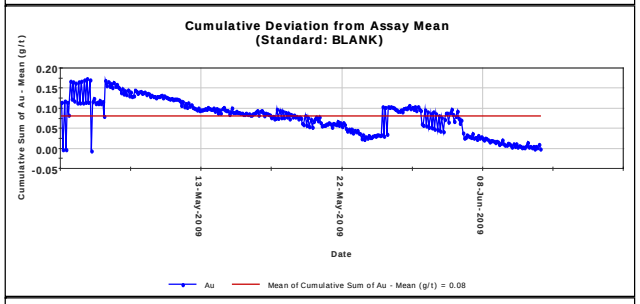
	Au	R Au	Units		Result
No. Pairs:	25	25		Pearson CC:	0.46
Minimum:	0.01	0.01	g/t	Spearman CC:	0.84
Maximum:	0.96	0.28	g/t	Mean HARD:	27.10
Mean:	0.09	0.06	g/t	Median HARD:	20.00
Median	0.03	0.03	g/t		
Std. Deviation:	0.19	0.07	g/t	Mean HRD:	3.23
Coefficient of Variation:	2.06	1.18		Median HRD	0.00

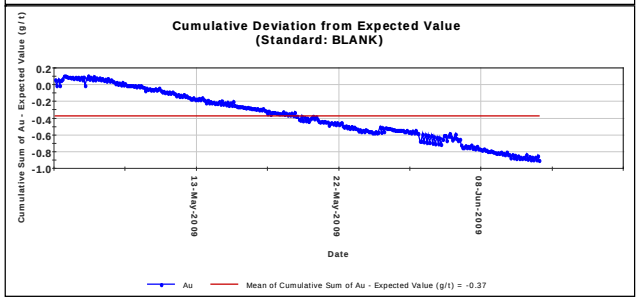


Appendix B_13
Loulo-Est RC and DD Sampling Gold Blank

Standard:	BLANK	No of Analyses:	341
Element:	Au	Minimum:	0.01
Units:		Maximum:	0.09
Detection Limit:		Mean:	0.01
Expected Value (EV):	0.01	Std Deviation:	0.01
E.V. Range:	0.01 to 0.01	% in Tolerance	27.86 %
		% Bias	-26.39 %
		% RSD	103.19 %

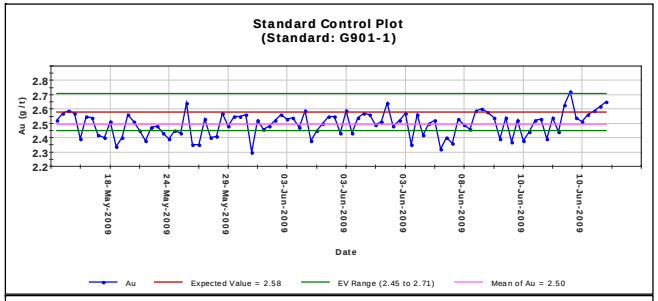


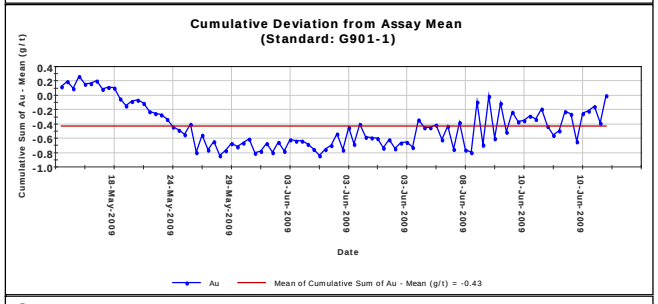


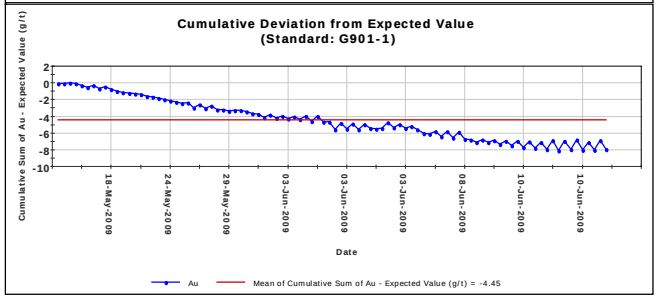


Appendix B_14
Loulo-Est RC and DD Sampling Gold Standard G901-1

Standard:	G901-1	No of Analyses:	94
Element:	Au	Minimum:	2.30
Units:		Maximum:	2.72
Detection Limit:		Mean:	2.50
Expected Value (EV):	2.58	Std Deviation:	0.08
E.V. Range:	2.45 to 2.71	% in Tolerance	65.96 %
		% Bias	-3.28 %
		% RSD	3.38 %



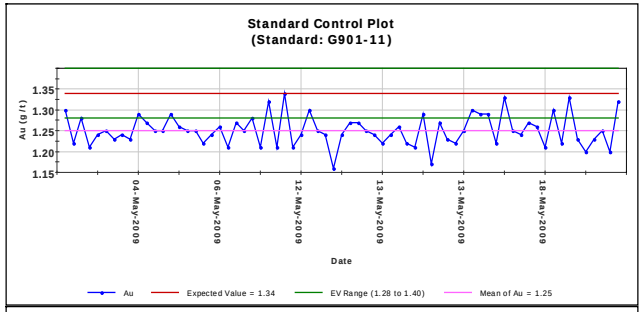


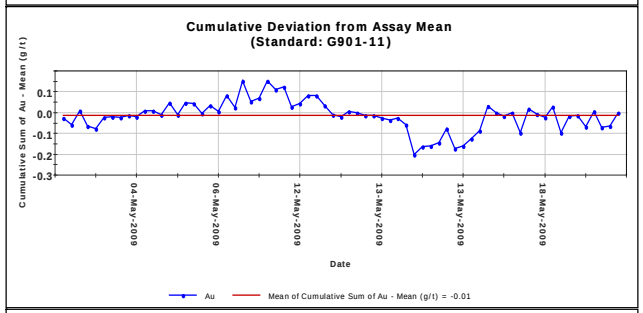


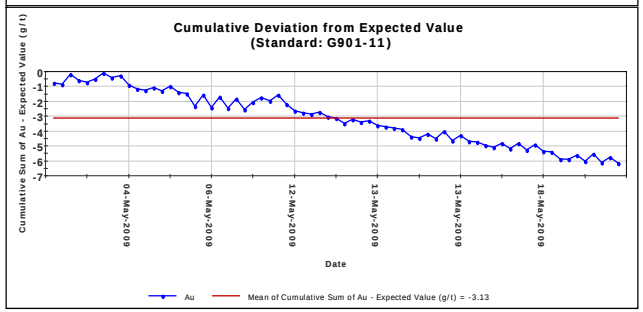
Appendix B_15
Loulo-Est RC and DD Sampling Gold Standard G901-11

Appendix B_16
Loulo-Est RC and DD Sampling Gold Standard G901-7

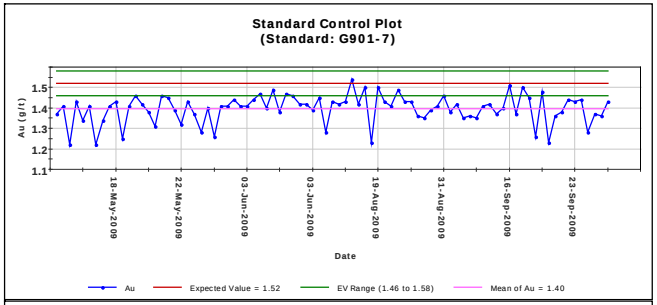
Standard:	G901-11	No of Analyses:	69
Element:	Au	Minimum:	1.16
Units:		Maximum:	1.34
Detection Limit:		Mean:	1.25
Expected Value (EV):	1.34	Std Deviation:	0.04
E.V. Range:	1.28 to 1.40	% in Tolerance	23.19 %
		% Bias	-6.65 %
		% RSD	2.94 %

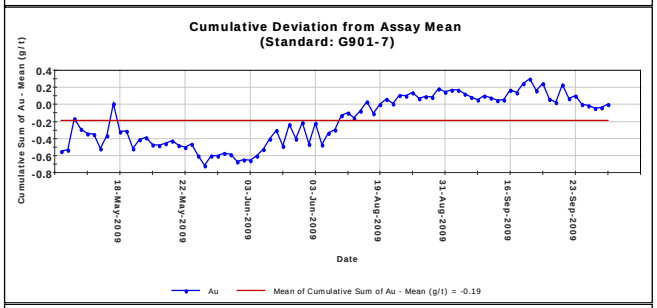


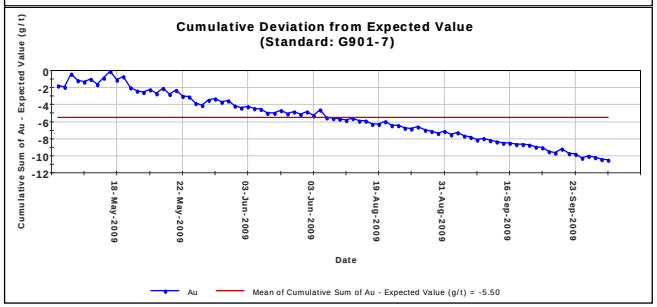




Standard:	G901-7	No of Analyses:	85
Element:	Au	Minimum:	1.22
Units:		Maximum:	1.54
Detection Limit:		Mean:	1.40
Expected Value (EV):	1.52	Std Deviation:	0.07
E.V. Range:	1.46 to 1.58	% in Tolerance	11.76 %
		% Bias	-8.13 %
		% RSD	4.94 %







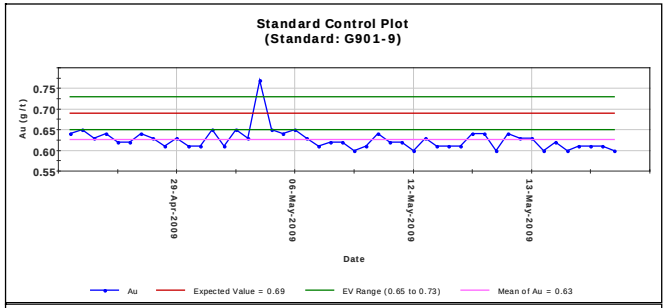
Appendix B_17

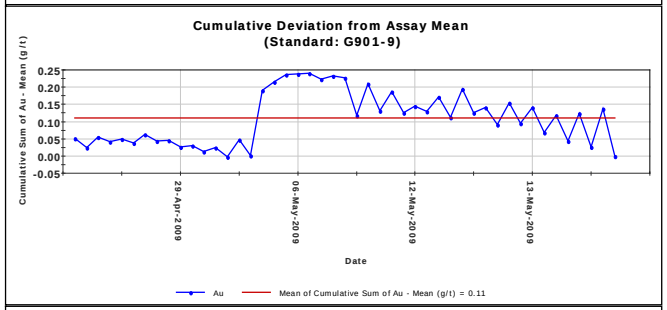
Loulo-Est RC and DD Sampling Gold Standard G901-9

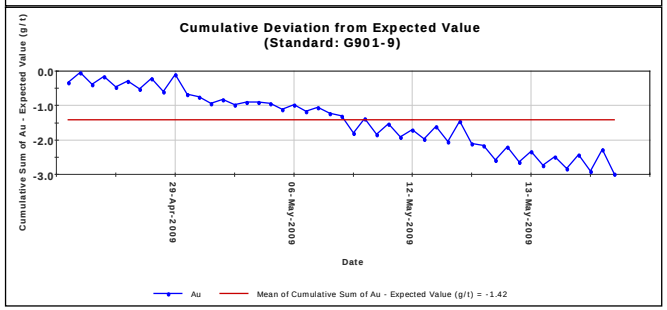
Appendix B_18

Loulo-Est RC and DD Sampling Gold Standard G905-

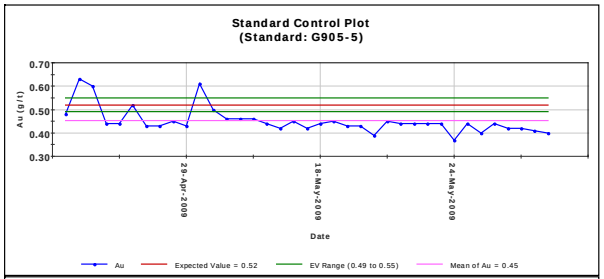
Standard:	G901-9	No of Analyses:	47
Element:	Au	Minimum:	0.60
Units:		Maximum:	0.77
Detection Limit:		Mean:	0.63
Expected Value (EV):	0.69	Std Deviation:	0.03
E.V. Range:	0.65 to 0.73	% in Tolerance	10.64 %
		% Bias	-9.22 %
		% RSD	4.21 %

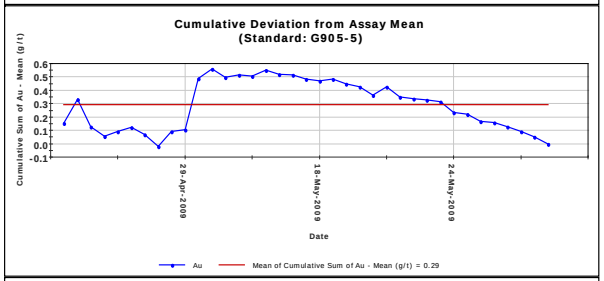


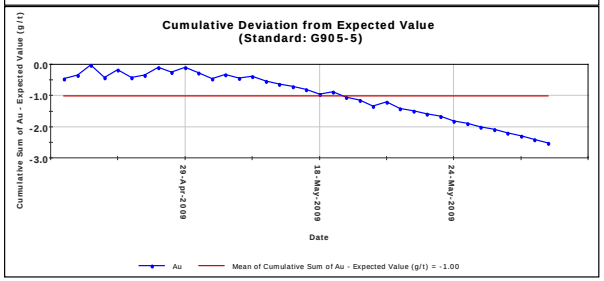




Standard:	G905-5	No of Analyses:	37
Element:	Au	Minimum:	0.37
Units:		Maximum:	0.63
Detection Limit:		Mean:	0.45
Expected Value (EV):	0.52	Std Deviation:	0.06
E.V. Range:	0.49 to 0.55	% in Tolerance	5.41 %
		% Bias	-13.10 %
		% RSD	12.18 %







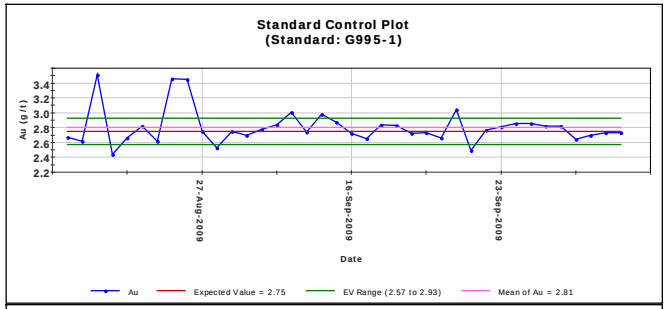
Appendix B_19

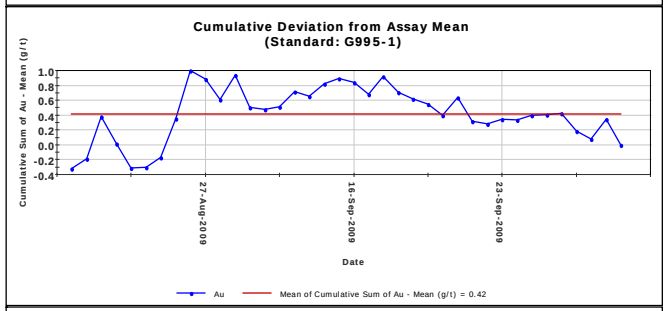
Loulo-Est RC and DD Sampling Gold Standard G995-1

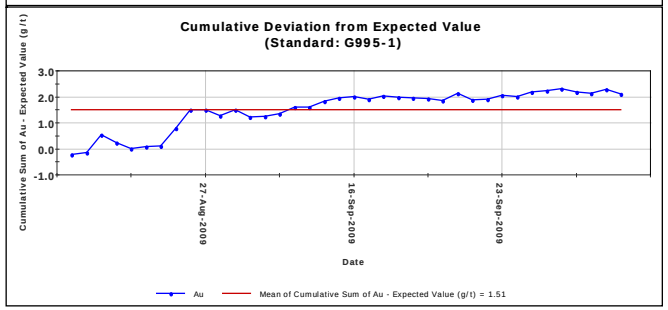
Appendix B_20

Loulo-Est RC and DD Sampling Gold Standard G999-6

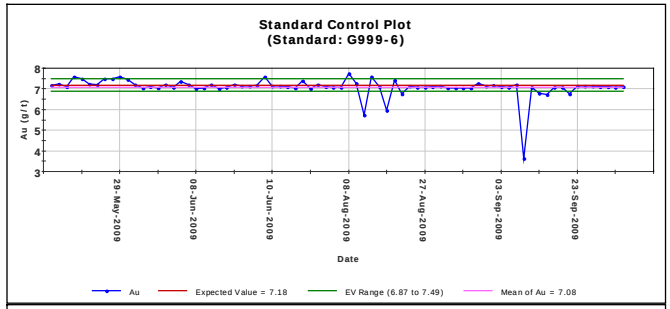
Standard:	G995-1	No of Analyses:	38
Element:	Au	Minimum:	2.44
Units:		Maximum:	3.51
Detection Limit:		Mean:	2.81
Expected Value (EV):	2.75	Std Deviation:	0.23
E.V. Range:	2.57 to 2.93	% in Tolerance	76.32 %
		% Bias	2.03 %
		% RSD	8.25 %

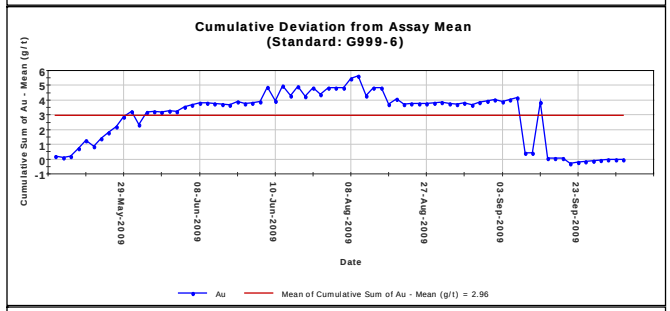


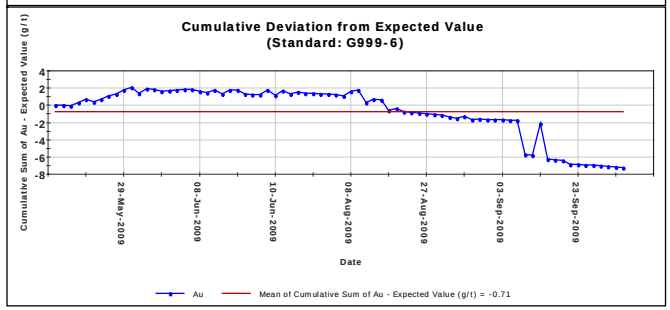




Standard:	G999-6	No of Analyses:	76
Element:	Au	Minimum:	3.63
Units:		Maximum:	7.73
Detection Limit:		Mean:	7.08
Expected Value (EV):	7.18	Std Deviation:	0.49
E.V. Range:	6.87 to 7.49	% in Tolerance	81.58 %
		% Bias	-1.33 %
		% RSD	6.90 %







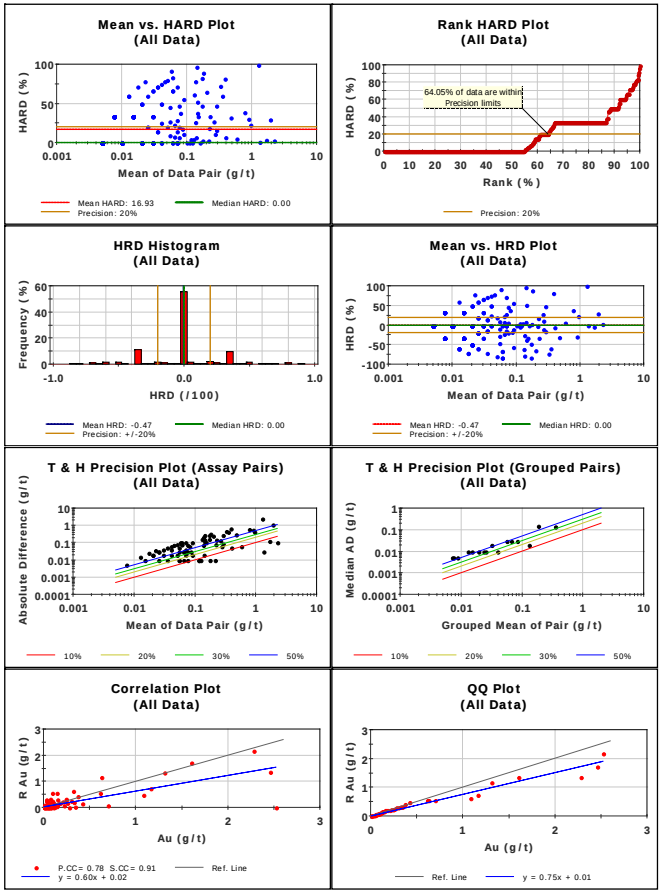
Appendix B_21

Loulo-Est RC and DD Sampling Duplicates

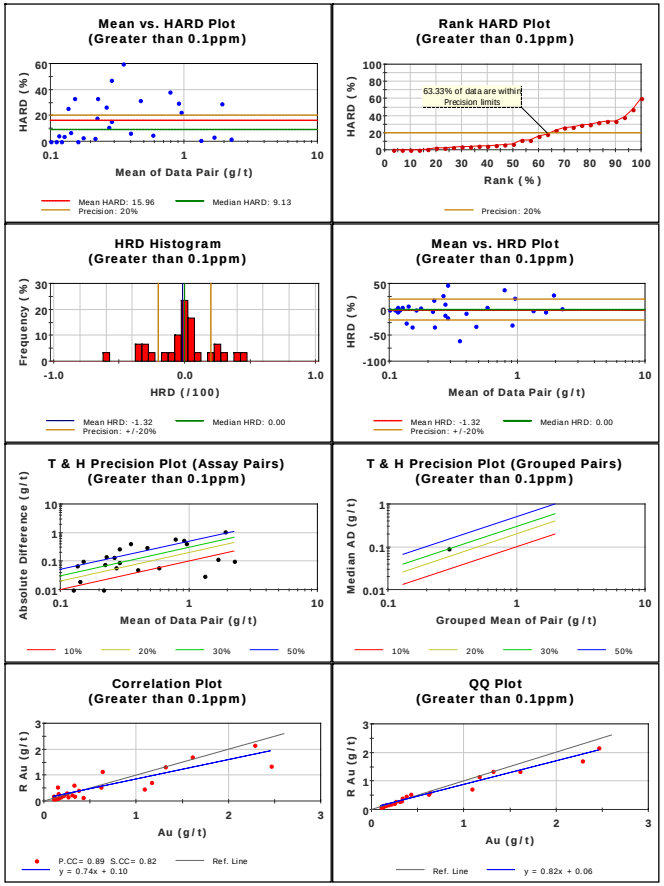
Appendix B_22

Loulo-Est RC and DD Sampling Gold Duplicates > 0.1ppm

	Au	R Au	Units		Result
No. Pairs:	459	459		Pearson CC:	0.78
Minimum:	0.01	0.01	g/t	Spearman CC:	0.91
Maximum:	2.52	2.18	g/t	Mean HARD:	16.93
Mean:	0.06	0.05	g/t	Median HARD:	0.00
Median	0.01	0.01	g/t		
Std. Deviation:	0.24	0.18	g/t	Mean HRD:	-0.47
Coefficient of Variation:	4.00	3.49		Median HRD	0.00



	Au	R Au	Units		Result
No. Pairs:	30	30		Pearson CC:	0.89
Minimum:	0.10	0.10	g/t	Spearman CC:	0.82
Maximum:	2.46	2.18	g/t	Mean HARD:	15.96
Mean:	0.52	0.48	g/t	Median HARD:	9.13
Median	0.24	0.23	g/t		
Std. Deviation:	0.63	0.53	g/t	Mean HRD:	-1.32
Coefficient of Variation:	1.22	1.08		Median HRD	0.00



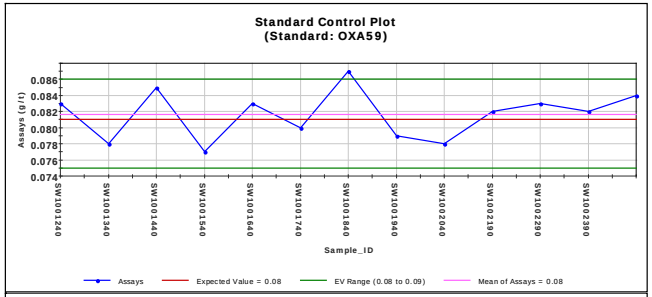
Appendix C

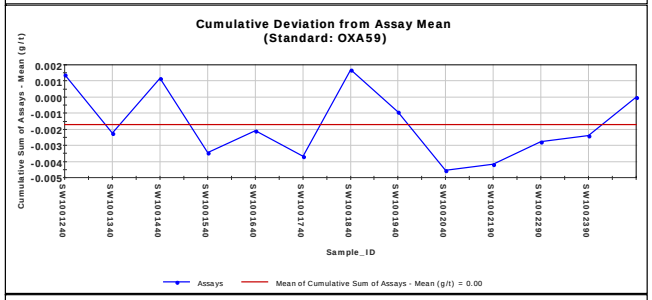
Segala-Ouest QA/QC Plots

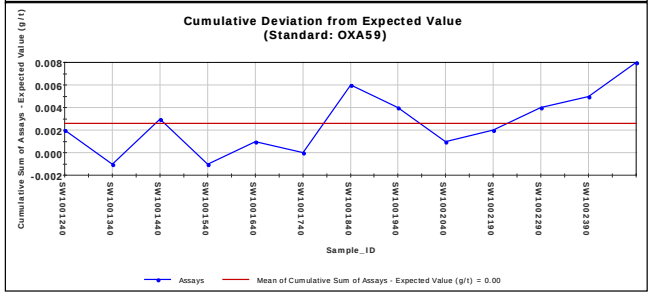
Appendix C_1

Segala-Ouest Soil Sampling Gold Standard OXA59

Standard:	OXA59	No of Analyses:	13
Element:	Assays	Minimum:	0.08
Units:		Maximum:	0.09
Detection Limit:	-	Mean:	0.08
Expected Value (EV):	0.08	Std Deviation:	0.00
E.V. Range:	0.08 to 0.09	% in Tolerance	92.31 %
		% Bias	0.76 %
		% RSD	3.55 %



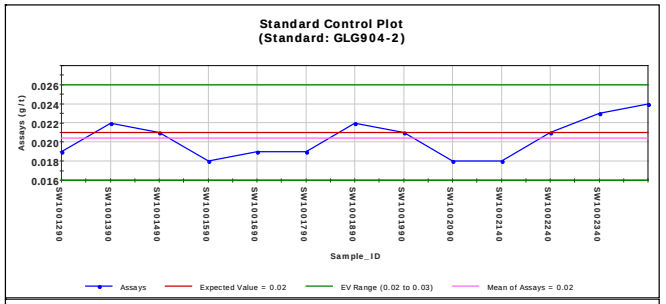


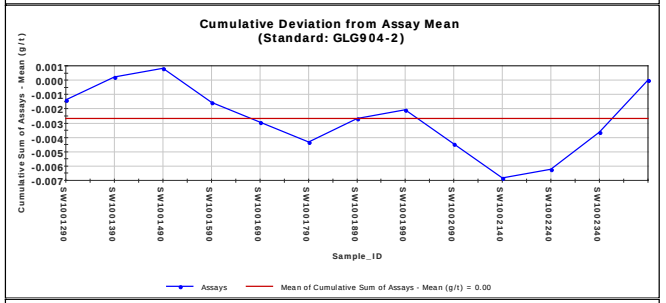


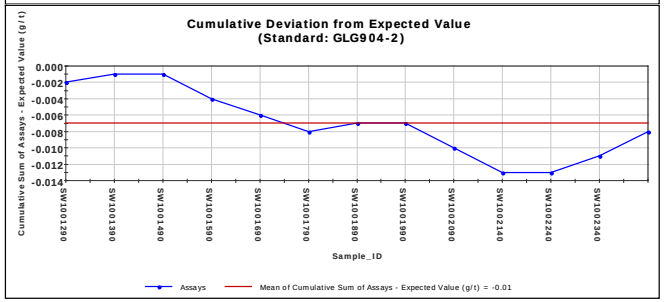
Appendix C_2

Segala-Ouest Soil Sampling Gold Standard GLG904-2

Standard:	GLG904-2	No of Analyses:	13
Element:	Assays	Minimum:	0.02
Units:		Maximum:	0.02
Detection Limit:	-	Mean:	0.02
Expected Value (EV):	0.02	Std Deviation:	0.00
E.V. Range:	0.02 to 0.03	% in Tolerance	100.00 %
		% Bias	-2.93 %
		% RSD	9.53 %



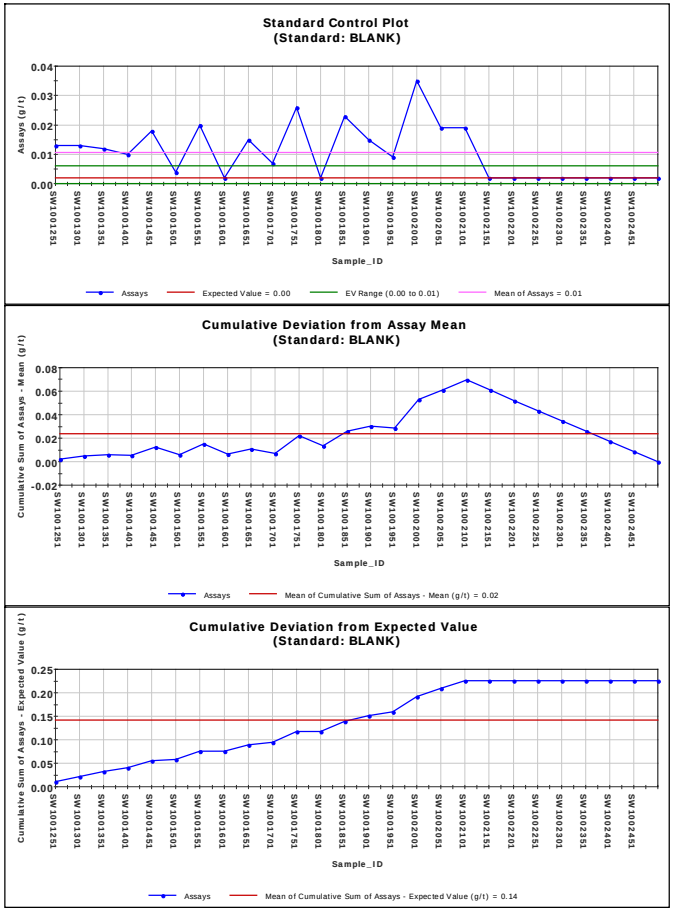




Appendix C_3

Segala-Ouest Soil Sampling Gold Blank

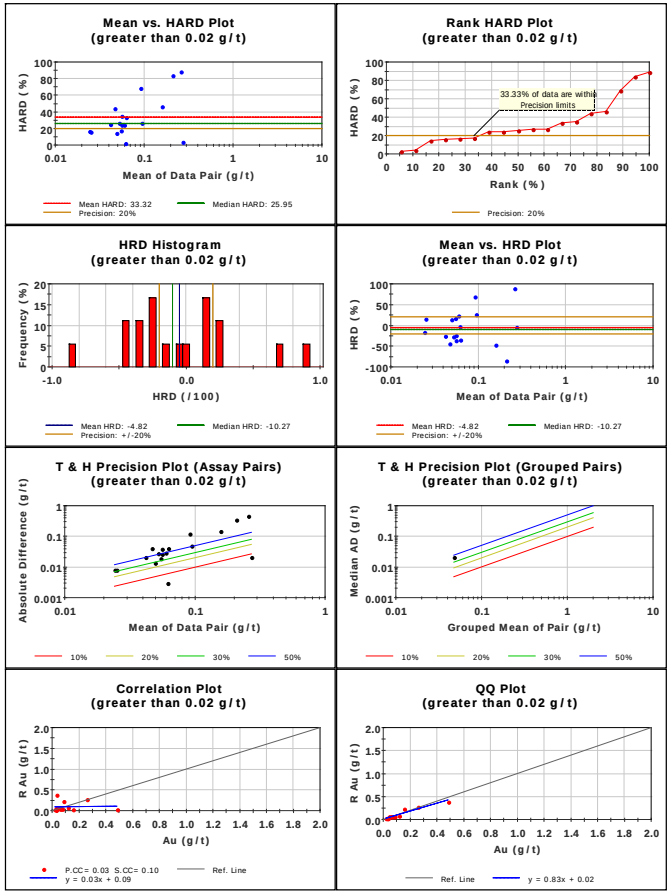
Standard:	BLANK	No of Analyses:	26
Element:	Assays	Minimum:	0.00
Units:		Maximum:	0.04
Detection Limit:		Mean:	0.01
Expected Value (EV):	0.00	Std Deviation:	0.01
E.V. Range:	0.00 to 0.01	% in Tolerance	42.31 %
		% Bias	434.62 %
		% RSD	84.48 %



Appendix C_4

Segala-Ouest Soil Sampling Gold Duplicates (>0.02g/t)

	Au	R Au	Units		Result
No. Pairs:	18	18		Pearson CC:	0.03
Minimum:	0.02	0.02	g/t	Spearman CC:	0.10
Maximum:	0.49	0.38	g/t	Mean HARD:	33.32
Mean:	0.09	0.09	g/t	Median HARD:	25.95
Median	0.05	0.06	g/t		
Std. Deviation:	0.11	0.10	g/t	Mean HRD:	-4.82
Coefficient of Variation:	1.22	1.04		Median HRD	-10.27



Appendix C_4

Segala-Ouest Soil Sampling Gold Duplicates (>0.02g/t)

	Au	R Au	Units		Result
No. Pairs:	18	18		Pearson CC:	0.03
Minimum:	0.02	0.02	g/t	Spearman CC:	0.10
Maximum:	0.49	0.38	g/t	Mean HARD:	33.32
Mean:	0.09	0.09	g/t	Median HARD:	25.95
Median	0.05	0.06	g/t		
Std. Deviation:	0.11	0.10	g/t	Mean HRD:	-4.82
Coefficient of Variation:	1.22	1.04		Median HRD	-10.27