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Contango Holdings PLC  
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Contango Holdings Plc

('Contango' or the 'Company')

NI 43-101 Independent Technical Report Confirms Potential for ~2Moz Gold at Garalo

At Least Two Target Zones Extend on To Recently Acquired Ntiela Licence

Numerous Additional Targets Identified for Further Exploration

## Highlights

- Independent Technical Report (the 'Report') produced on the Garalo Gold Project ('Garalo' or the 'Project') to NI 43-101 standards.
- Report confirms new model for gold formation at Garalo, highlights potential for up to 2Moz.
- Gold structures confirmed as identical to structures that control the nearby 2.8Moz Kalana gold deposit operated by Endeavour Mining.
- Confirmation that Garalo has potential to host high grade deposits within licence.
- In addition to G1 and G3 targets (the basis for 2Moz), numerous other clusters of anomalous zones with potential for gold discovery have been identified.
- Accelerated development schedule underway targeting first gold in Q4 2021 in conjunction with expansion drilling.
- Further upside from contiguous 100km<sup>2</sup> Ntiela Gold Project with the extension of at least two target zones from Garalo to Ntiela.

**Carl Esprey, Chief Executive Officer of Contango Holdings, said:** *"Garalo has surpassed expectations with this Independent Technical Report establishing the potential for a 2Moz gold development. Acquired less than six months ago, with just a historic target of 320,000 ounces, Garalo has very quickly turned in to something far larger, with every possibility of rivalling some of its neighbours in this globally significant gold producing region."*

"The recent acquisition of the Ntiela Gold Project, on which recent work has identified the extension of at least two target zones from Garalo to Ntiela, offers further material upside. With a resource of ~2Moz now being contemplated at Garalo and the probability of additional resource ounces being delineated at Ntiela with sufficient drilling, our future billing as a mid-tier gold producer becomes very credible.

"However, our immediate focus remains on near term cash flow. As reported previously, we are accelerating the development of a 30,000oz per annum heap leach operation from the shallow oxides given the high margins and low capex for its development. Given the significant findings in the Report, in due course the Company will undertake further drilling programmes on both Garalo and Ntiela, designed to realise and optimise the asset's full potential, as we look to establish a large standalone gold mine with multiple open pit operations across both permit areas. With production, construction and exploration news flow expected on these gold assets in 2021, as well as further progress across the broader Contango portfolio, we expect to generate substantial value for our shareholders over the coming months."

The full report from Birima Gold Resources Consulting will be made available on the Company's website at <https://contango-holdings-plc.co.uk/corporate-documents/#>.

## Further Information

### Introduction

Contango Holdings Plc, the London listed natural resource development company, is pleased to announce the receipt of an NI 43-101 Independent Technical Report on the Garalo Gold Project located in the Sikasso region of southern Mali, 200km south-east of the capital Bamako and close to the Guinea border. Garalo consists of an exploration licence for gold and associated minerals covering a surface area of 62.50 km<sup>2</sup> which is valid for two years and is renewable for another term of two years.

The permit is surrounded by a number of multi-million ounce gold deposits and the region is home to some of the world's leading gold miners, including IAMGOLD, Barrick, B2 Gold, Endeavour Mining and Hummingbird Resources, which has helped to establish Mali as the third largest gold producer in Africa.

### Birima Gold Resources Consulting ("BRG Consult")

The Report was conducted by BRG Consult, an international mineral exploration consulting company with significant experience in West Africa, ranging from grassroots to mine-site exploration and

mineral deposit expansion. Specialisms include gold exploration and management of all aspects of mineral exploration programmes from data compilation and project design through to all levels of implementation and management.

The Report has been prepared in conformance with the Canadian Securities Administrator National Instrument 43-101, Companion Policy 43-101CP and form 43-101F1 (NI 43101). The Qualified Person responsible for the preparation of this report is Serigne Dieng PhD, the main author and responsible for the overall preparation of this report. Dr. Dieng is the General Manager for BRG Consult with 22 years' experience in the mining sector. Mr. Dieng is a registered member of the "The Australasian Institute of Mining and Metallurgy" (The AuSIMM, Reference Number 316918).

#### NI 43-101 Independent Technical Report

The Report summarises historic and more recent technical information on Garalo and concludes that the main structure that controls the gold mineralisation at the Garalo G1 and G3 Targets is a north-south-striking, shallowly-west-dipping shear zone system forming pull-apart similar to the nearby 2.8Moz Kalana Gold Deposit.

This new model for the gold formation at Garalo suggests that the gold mineralisation is hosted in a system of parallel dilation fracture networks within shear zones. These fracture networks are under-explored and may contain a gold potential of up to 2Moz. The Report finds that Garalo has high potential to host economic gold mineralisation, which can be delineated via Reverse Circulation (RC), Diamond (DD) and Rotary Air Blast (RAB) drilling programmes.

The Report finds historic exploration works completed by AngloGold Exploration Ltd, PGRM and Golden Spear Mali between 2001 and 2008 were professionally managed and procedures were consistent with generally accepted industry best practices. Consequently, the exploration data from soil geochemistry sampling, ground geophysical survey, trenches and drilling were assessed to be sufficiently reliable to confidently allow interpretation of the gold mineralisation in the Garalo property, enabling the outline of an extensive drilling programme over existing gold deposits and in areas with potential for new discovery to be drawn. Exploration works performed in the Garalo permit resulted in the discovery of the Garalo G1 and G3 gold deposits and numerous other clusters of anomalous zones with potential for gold discovery. Some of these areas and targets have offered additional high-grade potential.

Work undertaken by BRG-Consult in 2021 determined the geological and structural setting of the deposits and the style of the gold mineralisation, establishing a new conceptual geological and structural model for the gold mineralisation. BRG-Consult interprets NS to NNW-striking and shallowly west-dipping shear zone systems that control the gold mineralisation at Garalo G1 and G3 deposits. These structures are identical to structures that control the nearby 2.8Moz Kalana gold deposit operated by Endeavour Mining.

The gold mineralisation is strongly structurally controlled and is contained into zones of deformation and hydrothermal quartz-calcite-chlorite-pyrite-arsenopyrite alteration associated with sheared and highly altered brecciated greywacke and shale rocks in the hanging-wall of a shallowly-west-dipping, NS to NNW-striking parallel set of fracture systems. Large and high-grade gold mineralisation were intercepted at the Garalo gold project (Tables 1.1 and 1.2 and Appendix B).

At Garalo G1 Target the gold structure:

- has a strike-length of up to 1,000 metres and is open laterally north and south along strike and downdip
- has width that can exceed 200 metres in place and
- hosts large and minable-grade gold mineralisation (Table 1.1)

Num	Hold ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Comments
1	G1AD001	200	201	1	6.22	
2		57	59	2	10.35	
3	G1AD003	65	65	1	43	
4		167	167	16	1.24	including 1m@7g/t
6	G1ARC002	81	87	6	6.66	
7		53	55	2	2.42	
8	G1ARC003	78	79	1	7.64	
9		87	90	3	22.11	
10	G1ARC004	21	26	5	3.65	
11	G1ARC006	83	96	13	1.02	
12	G1ARC009	38	40	2	17.05	
13		0	18	18	1.69	
	G1ARC1471					
14		68	76	8	2.7	
15	G1ARC148	40	54	14	4.45	including 2m@27,8g/t
16	G1ARC178	0	8	8	9.3	including 2m@35.6g/t from surface

Table 1.1: Best gold intercepts from drilling at Garalo G1 Target (cut-off of 3m@0.3g/t)

At Garalo G3 Target the gold structure:

- has a strike-length of up to 600 metres and is open laterally north and south along strike and downdip
- has width that can exceed over 100 metres in place and
- hosts large and minable-grade gold mineralisation (Table 1.2)

Num	Hold ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Comments
1	G3AD001	159	163	4	1.44	
2	G3AD002	73	75	2	1.44	
3	G3ARC002	46	52	6	1.37	including 1m@5,6g/t
4	G3ARC002	87	90	3	5.11	including 1m@13,2g/t
5	G3ARC066	64	74	10	0.41	
6	G3ARC147	30	34	4	1.36	
7	G3ARC148	22	32	10	0.54	
8	G3ARC148	60	62	2	1.5	
9	G3ARC148	84	90	6	2.06	including 2m@5.3g/t
10	G3ARC149	34	48	14	0.66	
11	G3ARC149	62	64	2	2.58	
12	G3ARC149	74	78	4	1.08	
13	G3ARC149	84	100	16	13.89	including 2m@95g/t
14	G3ARC150	0	2	2	6	

Table 1.2: Best gold intercepts from drilling at Garalo G3 Target (cut-off of 3m@0.3g/t)

The Garalo gold project is part to the Paleoproterozoic rocks of the Bougouni Formation of the Baoulé-Mossi domain, in the Birimian Super group of West Africa that hosts several word-classes multi-million-ounces gold deposits (examples include 2.8Moz Kalana, 7.3Moz Morila, 6.2Moz Syama and, 1.8Moz Yanfolila gold deposits). Geological and structural relationships, mineral alteration assemblage and the style of the gold mineralisation within the Garalo permit demonstrate that the gold deposits are classic example of mesothermal shear-zone-controlled, intrusive-related, orogenic-type gold mineralisation, hosted in greenstone folded and deformed sedimentary successions of graywacke and shale similar to the nearby 2.8Moz Kalana gold deposit.

The Report concludes that Garalo can be considered as very prospective to host an economic gold deposit, advising additional exploration works are undertaken to fully define and delineate additional gold mineralisation and the ultimate resource.

Based on BGR-Consult's due diligence site visit and subsequent review of available historical exploration information, BGR-Consult offers the following general comments and conclusions.

- The main structure that controls the gold mineralisation at Garalo G1 and G3 Targets is a north-south striking, shallowly-west-dipping shear zone system forming pull-apart similar to the nearby 2.8Moz Kalana deposit. This new model for the gold formation at Garalo suggests that the gold mineralisation is hosted in a system of parallel dilation fracture networks within shear zones. These fracture networks are under-explored and may contain a potential of up to 2 Moz within the Garalo property.
- Historical exploration results on the Garalo gold property indicate the presence of significant gold mineralisation with potential for economic gold discovery. The Garalo main gold deposits (G1 and G3 Targets) are the highest priority exploration targets within the concession. Additional drilling, geophysical survey, sampling and mapping are required to evaluate the resource and economic potential of the deposits.

- The assessment of and conclusions made in this report on the exploration potential of the Garalo gold property is based on the historical exploration results, particularly the gold results obtained from historical soil geochemistry sampling, ground IP geophysical survey and drilling programs completed by AngloGold Exploration Ltd and Golden Spear Mali between 2001 and 2008.
- BGR-Consult concludes that the type of and amount of historical exploration works completed in the Garalo permit and data generated by this work provides an adequate basis for the review and assessment of exploration potential provided in this technical report and, the recommendations made herein.

**\*\*ENDS\*\***

For further information, please visit [www.contango-holdings-plc.co.uk](http://www.contango-holdings-plc.co.uk) or contact:

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