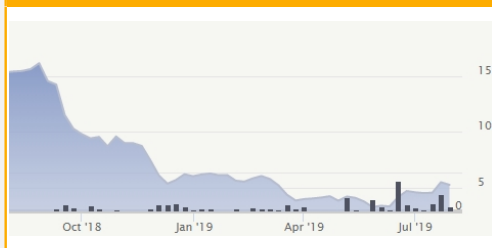


6 August 2019

Gold Exploration & Mining

52-WEEK HIGH	16.25p
52-WEEK LOW	2.85p
PRICE	5.05p
MARKET CAP MLN	£5.10

Share Price



Major Shareholders

Hummingbird Resources plc - 18.41%	
Management - 15.65%	
Lord Farmer - 13.16%	
Shares in issue	101,000,000
Primary Index	AIM

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Cora Gold - Refilling the Development Pipeline for Producers in West Africa

Overview

Fast-track gold projects are few and far between and projects with relatively low capital expenditures are rarer still. While nothing is guaranteed it looks as if Cora Gold, on the basis of exploration work at Sanankoro that is already done and is to be reported shortly, could be in a position to pursue a smaller scale operation in the fairly short term, moving up to a larger operation in the medium term at its Sanankoro project. Management is targeting completion of a scoping study for a smaller scale development by the end of the fourth quarter of 2019.

Meanwhile at Tekeledougou the synergies from establishing a satellite pit to Hummingbird's Yanfolila mine look evident.

Beyond the projects with short term production potential, the company has some second-string projects close to other major mines along the Guinea/Senegal/Mali border regions.

Investment Thesis

During the long swoon in metals prices and markets from 2011 to 2016 (and beyond), the focus shifted from funding exploration to almost a total producer dominance. This has resulted in a severely constricted pipeline of new projects. Additionally, West Africa fell out of favour with Canadian miners, leaving mainly AIM- & ASX-listed persevering in the region.

Cora Gold's team were operating there before it became fashionable last decade and have persisted through the downtime having sliced & diced a collection of far-flung properties (some as distant as Brazzaville Congo) into a portfolio with maximum prospectivity in a concentrated zone.

At its main target at Sanankoro, multiple gold zones have been identified, which has a combined drill-defined mineralised footprint of more than 8km and an independently-determined exploration target of 1-2 million ounces of gold, with significant further upside.

We suspect that if the history books were rewritten, Hummingbird would have hung onto Cora Gold's asset package as it is highly complementary to its existing producing asset in Mali and indeed this fact might drive an eventual combination of the two companies at a future date.

Whether it is Hummingbird or one of the mid-sized producers already in the crowded Birimian Greenstone belt, Cora Gold is looking like one of the best bolt-ons for a player wanting to "refill" their project pipeline.

Geoff McNamara is the chairman of Cora Gold and a partner at Medea Natural Resources

Dr Jon Forster is the chief executive officer of Cora Gold and a veteran explorer of West African gold fields over three decades

Craig Banfield is the chief financial officer and a close collaborator of Dr Forster in the development of various West African exploration properties since the 1990s

Cora Gold focusing its current format is the result of a process of constant

Gold Stages a Rebound

Most of the period since 2011 could be called a "lost decade" for gold. After its post-2008 surge, the price has mainly doodled around in the US\$1,200-\$1,300 range, more frequently threatening to go lower rather than higher. Despite this, it broke to the upside in 2018 and then paused and retrenched and has gained a second-wind in mid-2019.

The rationale for the current move is frequently given as global tensions (particularly Iran), but global tensions are not new and, like death and taxes, are always with us. Maybe it was just gold's turn to rise again as an asset class. The move is nuanced though with a strong bias towards physical gold and towards gold producers. Explorers are still left out in the cold looking in at the party going on.

Gold is not exactly ebullient. It has moved up to a higher level but then gone into a holding pattern. This spells better earnings for producers and eventually, that will lead to a reconsideration of their decidedly bare pipeline of new projects. Most producers have been resting on their laurels and leaving the exploration and resource confirmation for "someone else" to do. Concomitant with that is the truism that the producers can always pick up junior explorers (and their resources) on the cheap. This may prove to be a fallacious assumption.

Juniors like Cora Gold are finding small financing exercises are still doable and are advancing with work on their main projects. Thus we find the hopes of mid-tier companies of picking up such entities at absolutely rock-bottom prices are delusional. When the worm turns, junior producers will again be sought after as the sole source to fill the pipelines of mid-tier companies that have soft-pedalled their own exploration efforts since 2011.

The Evolution of Cora and its Asset Base

The development of Cora over the last seven years has been one of mergers and deconstructions to end up with the highly focused regional play that it is now.

The initial structure of Cora Gold was founded by Jonathan Forster and Craig Banfield in early 2012 to explore the Kenieba Window and the Yanfolila Gold Belt in Mali. Over the ensuing months, Cora Gold compiled a portfolio of gold exploration permits via joint ventures with local partners.

In 2014, Cora merged with a private company (of the Quirk family) called Sumatran Africa, that held gold exploration permits in the Republic of Congo (Brazzaville). In the 1990s, these permits were previously held by SAMAX Gold Inc, for which both of Cora's founders had worked at that time. Discussions led to an agreement to merge both Cora Gold and Sumatran Africa. Kola Gold Limited became the parent company for the group. Through the issuance of new equity, Kola Gold subsequently raised more than US\$5.8m in advance work on the portfolio. In 2016, Cora Gold added a permit in Senegal to the mix.

In mid-2016, Kola Gold and Hummingbird Resources PLC amalgamated some of Hummingbird's non-core gold exploration permits in Mali, together with several of Kola Gold's permits in west Africa.

In a focusing exercise in 2017, Kola Gold was split in two, with Kola Gold continuing to hold permits in the Republic of Congo (Brazzaville) and Cora Gold holding permits in Mali and Senegal.

This took the stake of Hummingbird's subsidiary, Trochilidae Resources Ltd, to 50% of Cora Gold. In October 2017 Cora Gold's ordinary shares started trading on AIM. Further on we shall look at the current shareholder structure that has evolved after nearly two years in the public markets.

Well situated with good access**Sanankoro**

The Sanankoro property in southwest Mali lies about 110 km south-west of Bamako. Access to Sanankoro from Bamako is via a tarred road to the Selingue Dam. Beyond Selingue, the remaining route to the property is via graded tracks. By road, the journey from Bamako takes around 4.5 hours.

Sanankoro consists of four contiguous permits (Sanankoro, Bokoro II, Bokoro Est and Dako) that encompass a total area of around 320 km².

Right to buy out royalty**Ownership & Royalties**

Sankarani Resources SARL is 95%-owned by Cora Gold with a 5% free-carried interest held by M Diallo in the permits granted to Sankarani. This interest may be bought out for a one-off US\$1m payment that may be made against the interest held in either of the Komana (Hummingbird Resources) or Sankarani properties.

In addition, the Bokoro Est II permit retains a 1.5 % net smelter royalty payable to M Diallo.

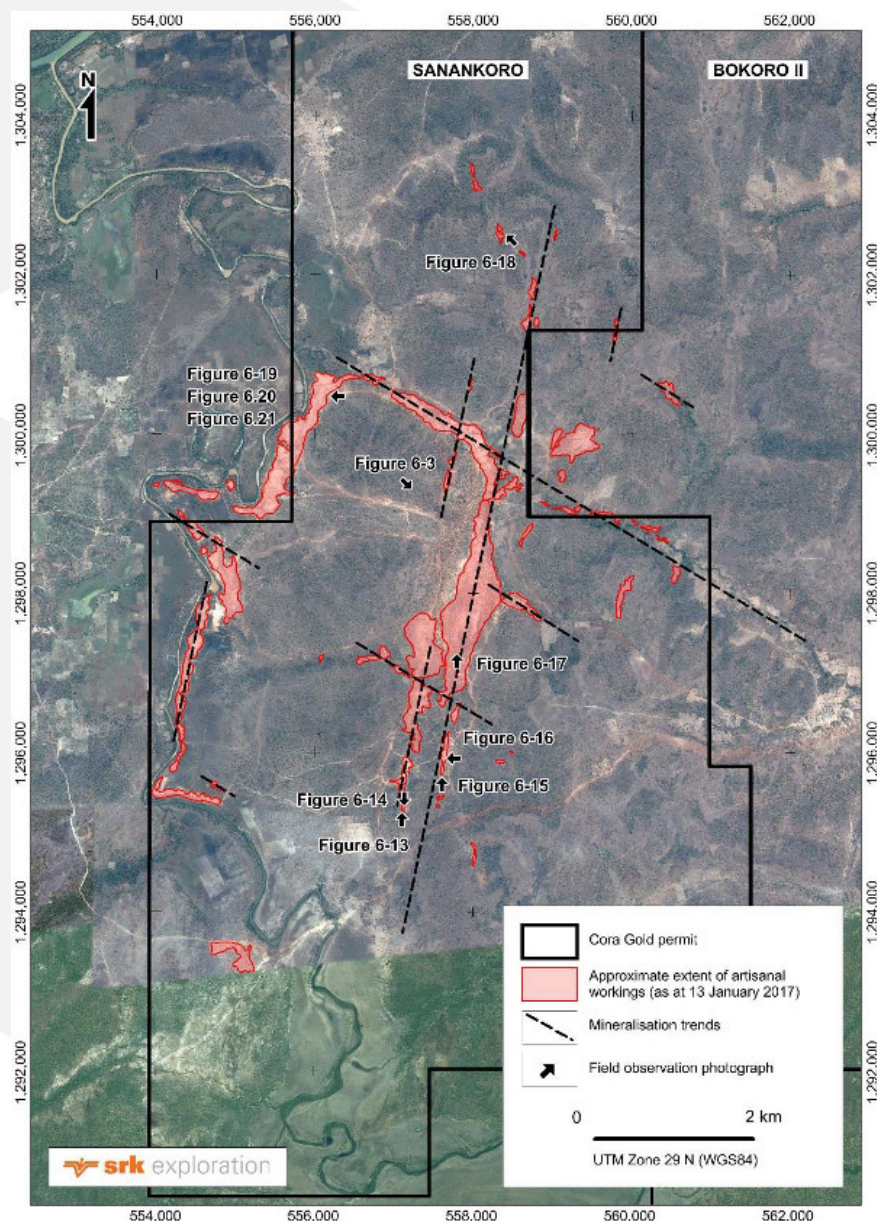
Missed by the majors**Project History**

Sanankoro has been the subject of multiple exploration campaigns, initially by Randgold Resources Limited and subsequently Gold Fields Limited in the mid-2000s to early 2010s, and most recently by Cora Gold in 2017 and 2018. As a consequence, over all four licences that constitute Sanankoro, a significant amount of exploration data is available for the assessment of the exploration potential of the property.

This includes a series of variably spaced fences of air-core (AC) and reverse circulation (RC) holes and wide-spaced shallow vertical rotary air blast (RAB), AC and auger holes across much of the Sanankoro permit. The project has also been subject to regional and detailed soil sampling, termite mound sampling, geological mapping and delineation of artisanal pits and geophysical imagery, including induced polarisation (IP).

Past artisanal activity shows the extent of the potential**Artisanals on the Project**

The Sanankoro property is associated with extensive artisanal gold mining activity, mainly within the permits. The discontinuous open-pit workings extend over a distance of just over 10 km, with individual workings up to 3 km in length and 500 metres in width. The map below shows the current siting of the artisanal pits and the mineralisation trends.



With easy pickings at the surface now limited the number of artisanal miners on site is much reduced these days.

The open-pit workings are typically not very deep (< 15 metres) seemingly due to the instability of the regolith; however, vertical pits are common in the base of the open-pits, locally extending the depth of the workings by up to a further 5-10 metres. The picture below gives a good idea of the size of these pits.



Strategically positioned with multiple territories in the Birimian

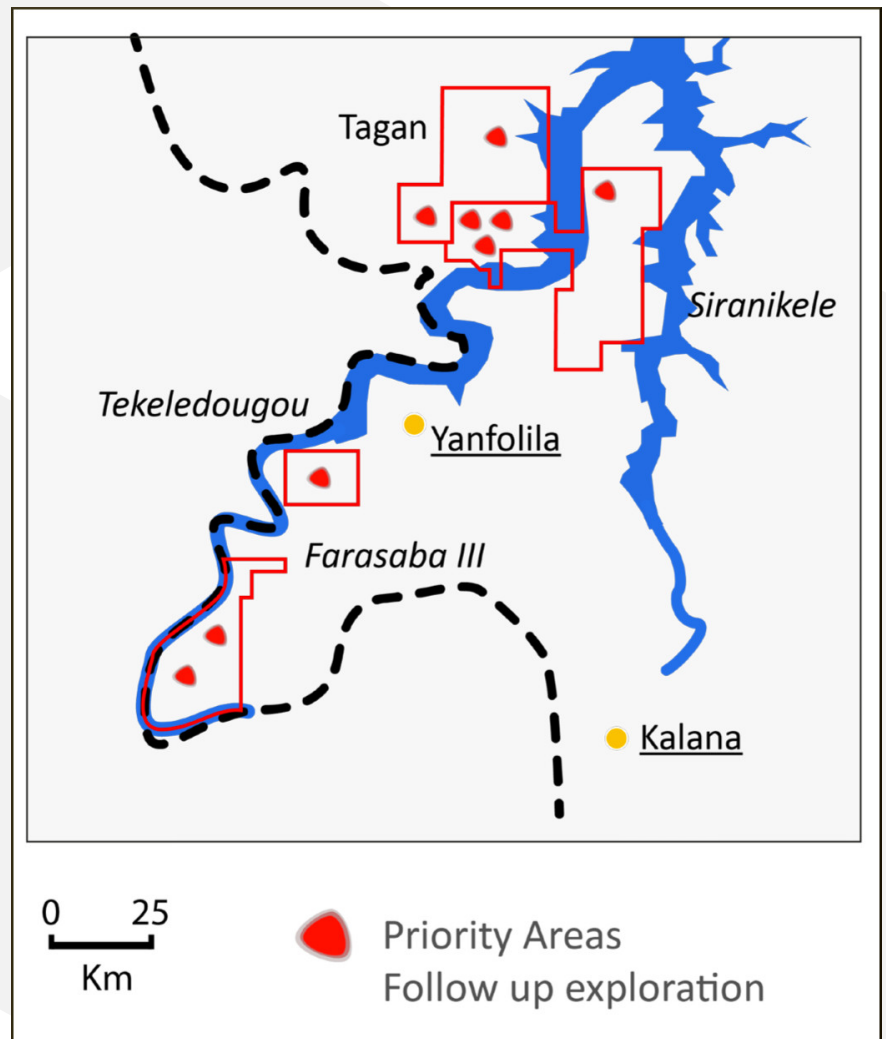
Regional Geology

The Birimian rocks of the West African craton are made up of an alternation of sedimentary belts and volcanic sequences intruded by large granitoid bodies that outcrop in north-south to northeast-southwest trending belts that extend for tens or hundreds of kilometres. The Birimian can be divided into two major units. The Lower Birimian, with an upper carbonate sequence, is well developed in Guinea, Senegal and western Mali.

The Kedougou-Kenieba gold province is hosted within greenschist metamorphosed siliciclastic and carbonate sedimentary rocks of the upper Birimian in Mali.

Major deposits in the Kedougou-Kenieba gold province include the Yatela and Sadiola mines (AngloGold Ashanti) in the northern part of the district, Loulu and Goukoto (Randgold Resources), Tabakoto-Kofi (Endeavour Mining), Fekola (B2 Gold) in the southern part, and Sabodala (Teranga), Massawa (Randgold Resources) and Petowal (Toro Gold) in Senegal.

Major mines in the Kenieba gold province

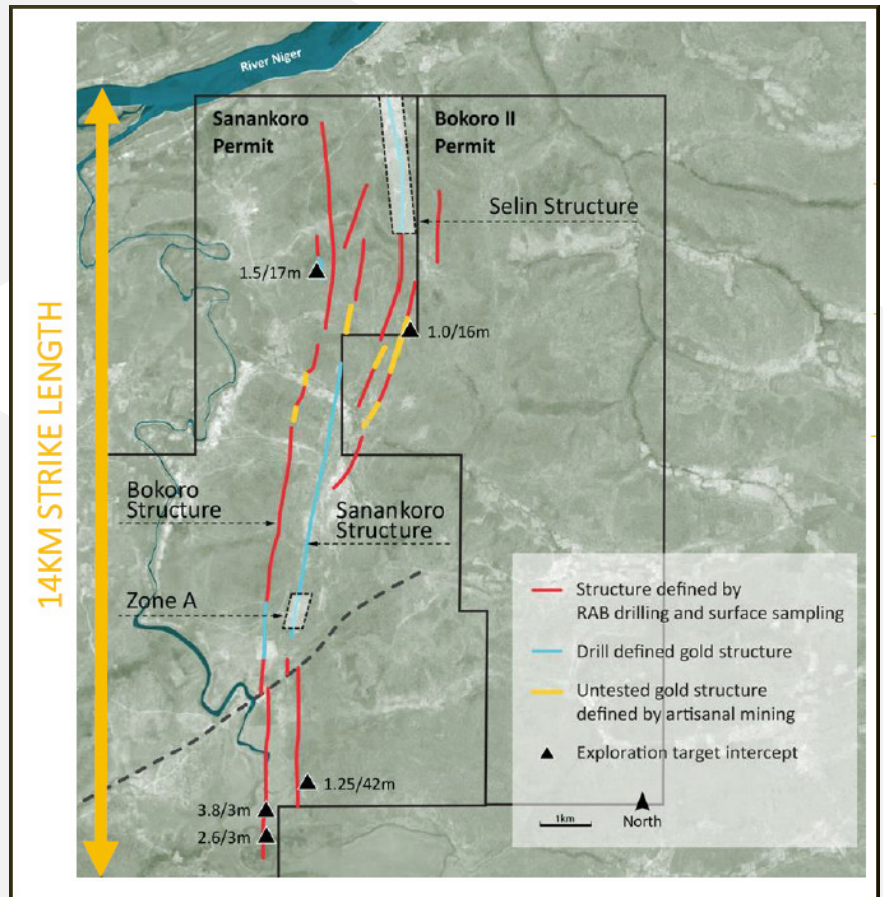


Multiple structures, many still unexplored

Geology of Sanankoro

The Sanankoro property is underlain by several different Paleoproterozoic Birimian volcano-sedimentary formations. Gold mineralisation occurs along a large surficial elevated gold anomaly (>50 ppb - parts per billion - Au) of about 4.5 x 7.5km, an area characterised by widespread artisanal mining activity. The artisanal miners appear to be exploiting alluvial and eluvial material.

Most of the larger workings are elongate in a NNE-SSW orientation, a trend that is consistent with regional structures and gold mineralised zones in Mali. Oblique to this is a SE-NW trend (roughly 120°), along which artisanal workings are preferentially elongated.



Recent drilling shows long intercepts at high grades at Selin & Zone A

Some Recent Exploration Results

The nature of the mineralisation at Sanankoro would seem to suggest that (as the artisanal miners in their own manner have shown) that long open pits are the ideal manner to access the gold in the Sanankoro project.

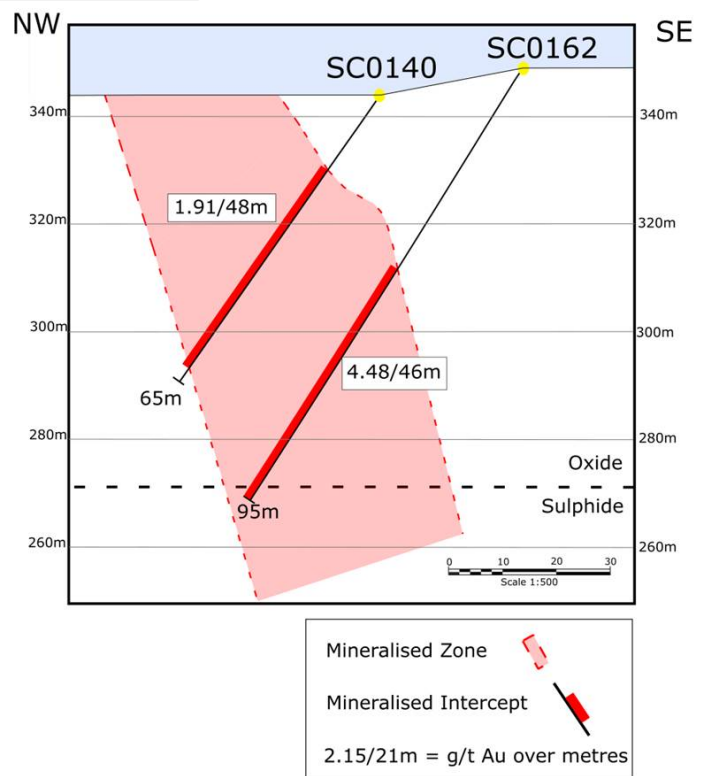
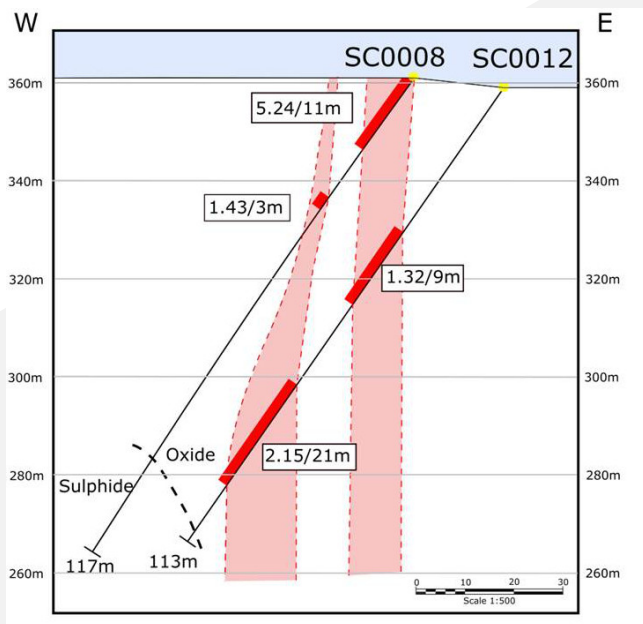
In mid-July, the company announced the results of a drilling programme at the Sanankoro Project, with 2,690 metres of AC and 3,406 metres of reverse circulation (RC) drilling completed, in conjunction with 463 metres of core drilling.

The focus of the drilling has been threefold:

- Selective infill drilling of discoveries
- Exploration drilling to test for extensions of mineralised zones
- Deliberate exploration targeting of sulphide mineralisation below oxide gold

Initial results from the latest drilling programme confirm that the primary host to the gold mineralisation is a highly altered and sheared sub-vertical mafic igneous unit that can be continuously traced over at least a kilometre, along the Selin zone (shown on the preceding map at the very top of the Sanankoro permit).

Below one can see the drill results for several of the holes on the Selin structure.



On current interpretation, the gold mineralised zones within the roughly 50 metres wide shear zone have true widths ranging from five metres to about 20 metres.

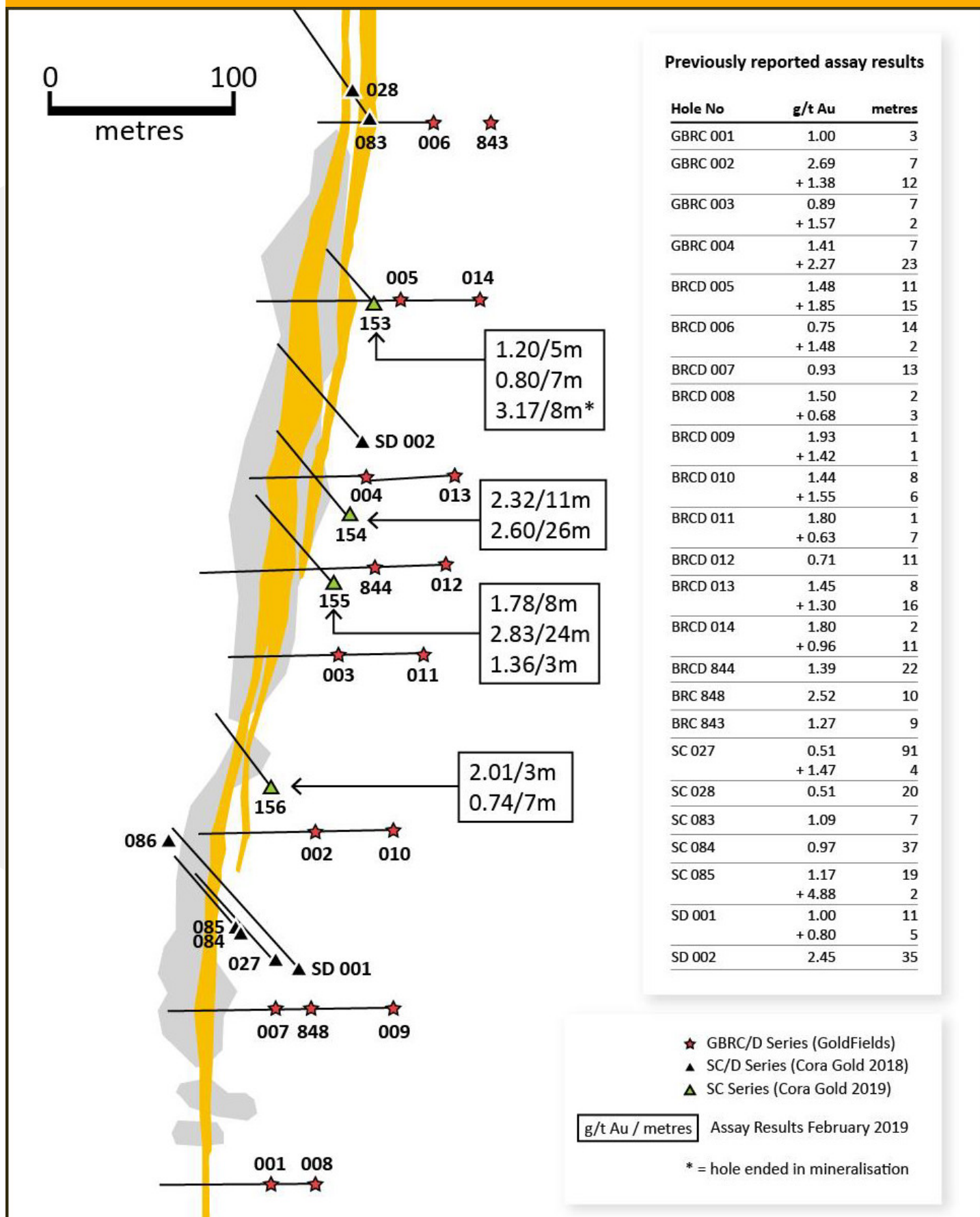
The latest set of results for the Selin target consist of the initial, preliminary testing of a strike-length of up to just 300 metres of the sulphide gold mineralisation that is believed to lie underneath the previously identified two kilometre-long gold oxide zone at the Selin prospect. With the sulphide zone lying at depths of typically greater than 60-80m, these initial drill holes are still considered by management to be near the surface reinforcing the open pit mining potential.

Then there is the work carried out in Zone A which lies some 7 km south of the Selin structure, also on the Sanankoro permit.

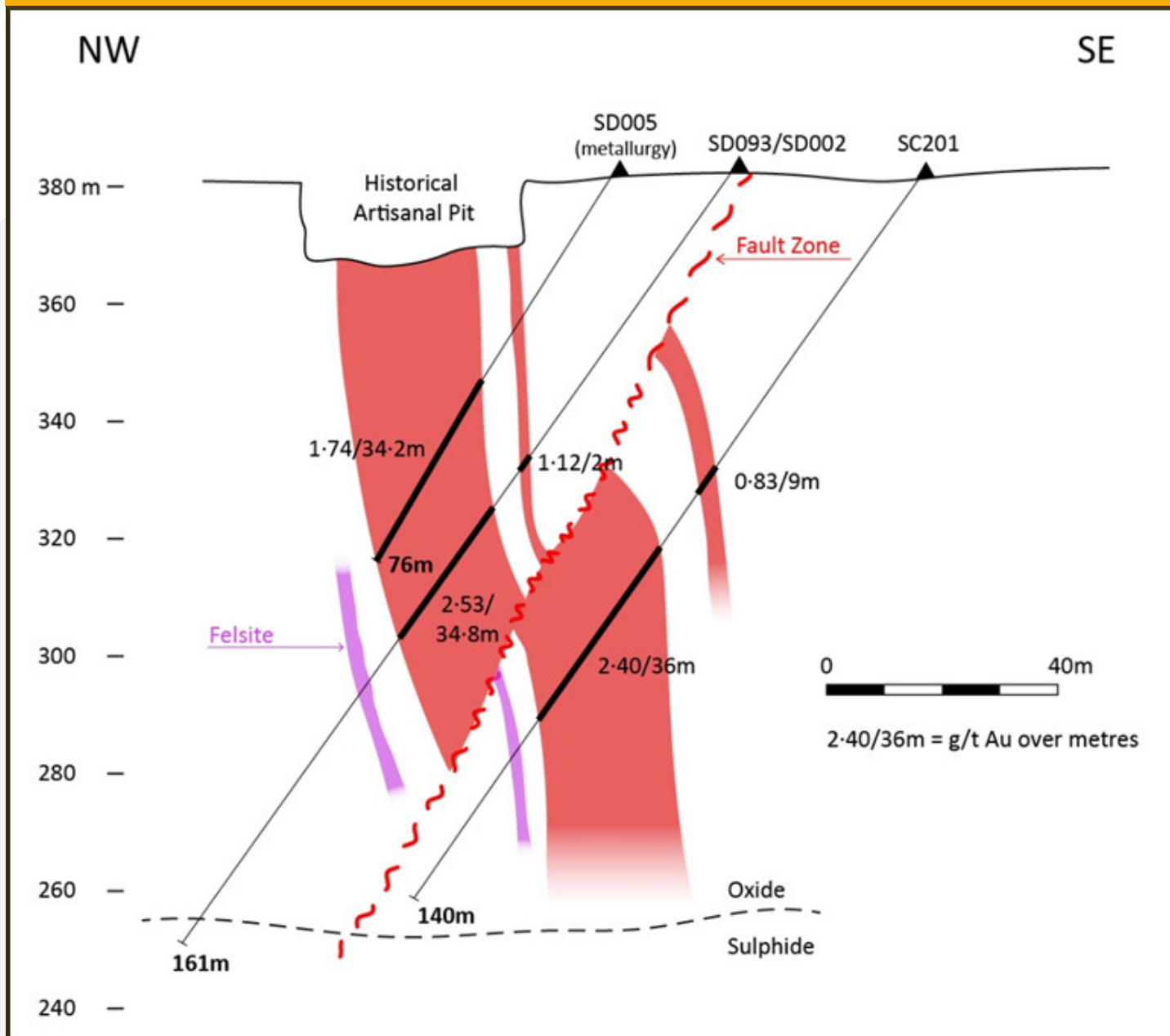
Drill results announced back in March showed a continuation of broad zones of shallow, higher-grade mineralisation across the Zone A prospect including:

- 8m at 3.17 grams per tonne (g/t) Au from 69m
- 26m at 2.60 g/t Au from 71m
- 24m at 2.83 g/t Au from 56m

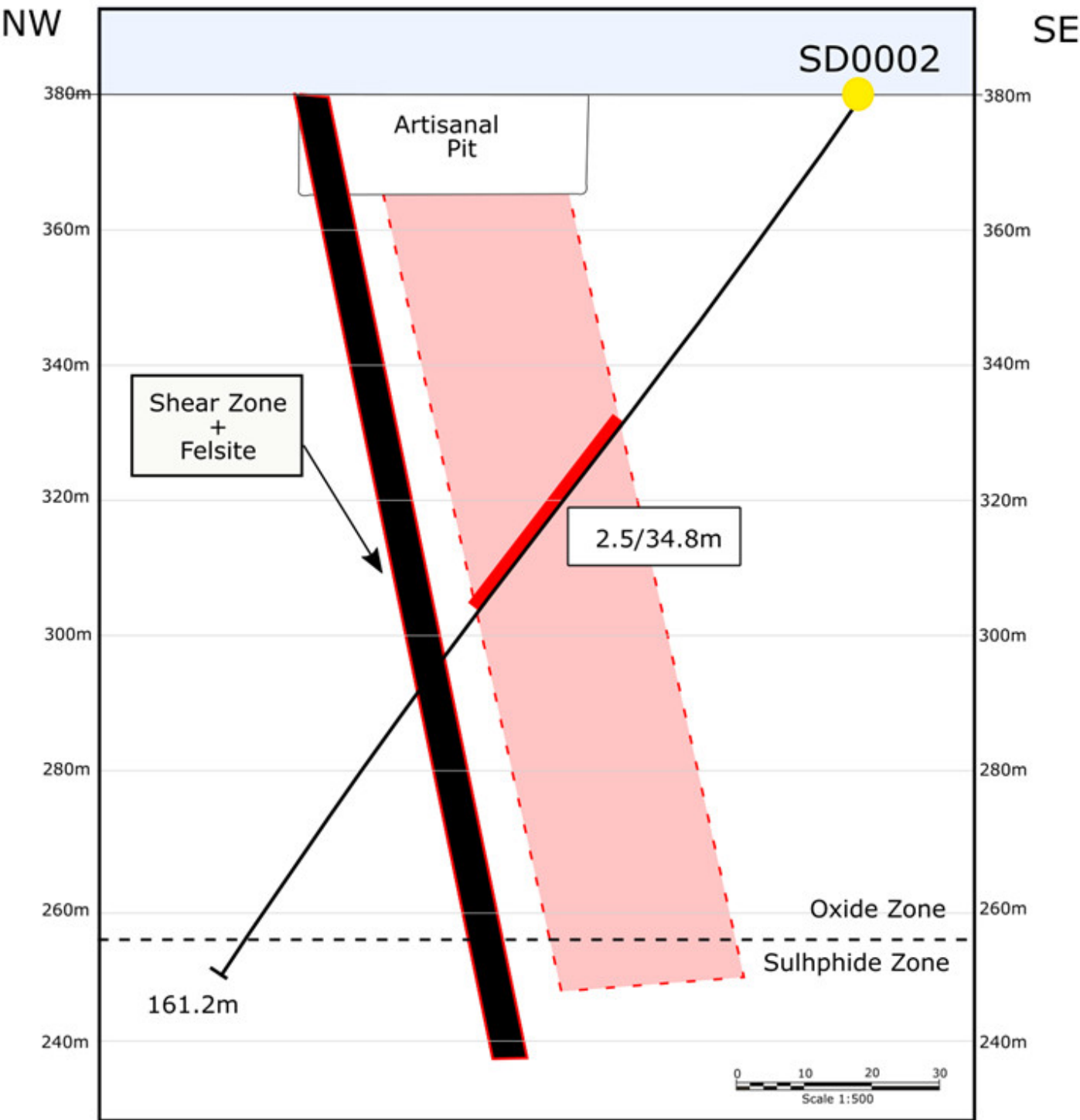
Results from the infill aircore / reverse circulation drilling at Zone A in 2018 & 2019



Below can be seen cross-sections of the drill holes at Zone A



The preliminary metallurgical test work was carried out on an 80kg sample from a diamond core hole drilled at the Zone A and Selin prospects at Sanankoro in oxide gold mineralisation. Results have demonstrated that coarse ore gold recoveries ranging from nearly 70% to over 97% can be achieved depending on the crush size. This confirms the underlying benign leach kinetics of the samples, suitable for the carbon-in-leach (CIL) process.

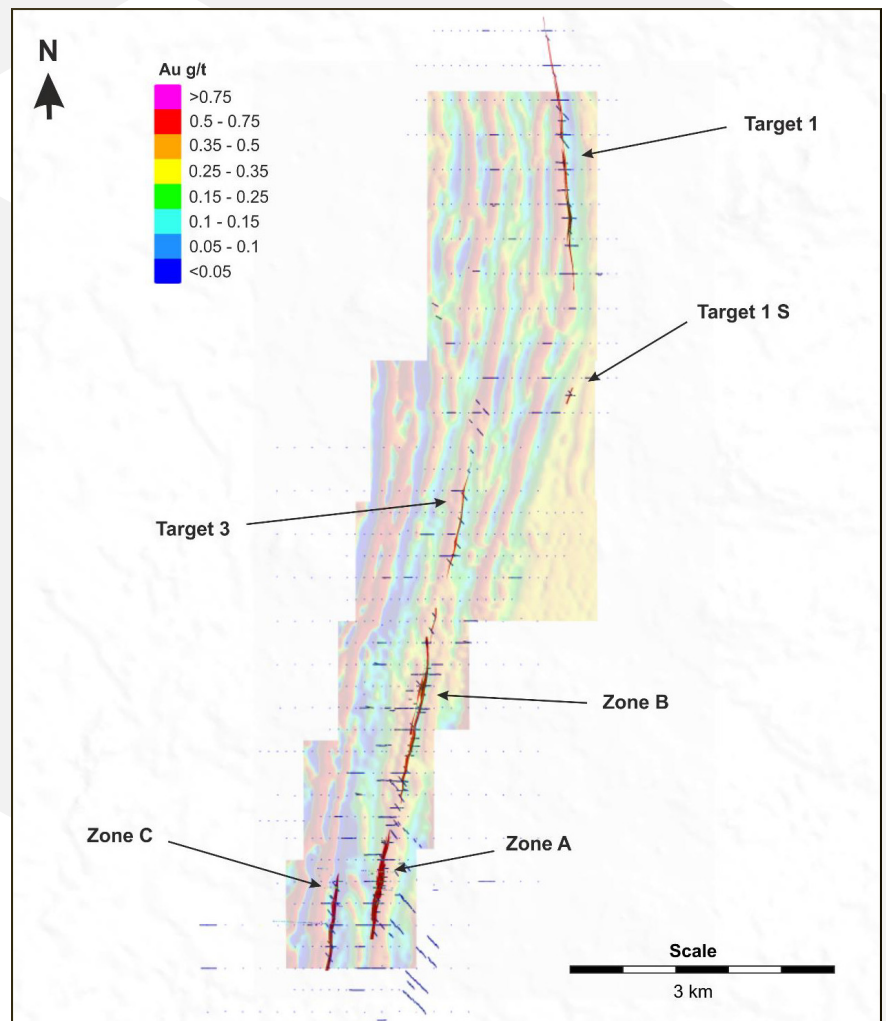


Report from SRK lays out the potential for a sizeable resource

Management's objective is to establish a maiden gold oxide mineral resource estimate by the fourth quarter of 2019.

SRK's Exploration Target

SRK Consulting prepared a report in October 2018. The consultants formulated an exploration target for the Sanankoro Project, based on both the historic drilling, the recent Cora Gold drilling, soil sampling data, termite sampling data, geophysical results and mapping of artisanal mining activity. The study worked on some target areas as shown in the map below:



The report determined an initial target of between 30mln and 50mln tonnes of gold ore at a grade of between 1 g/t and 1.3 g/t Au for the project to a vertical depth of 100 metres only.

This report confirmed Cora management's internal expectation that Sanankoro has the potential to delineate 1mln - 2mln ounces to a depth of 100 metres, with potential for significant further upside at depth.

Dr Jon Forster - Steeped in West African Gold

The driving force, geologically-speaking, of Cora Gold, is its chief executive officer (CEO), Dr Jon Forster, a veteran exploration geologist. He has been involved in mineral projects in Africa since 1980. He has been working at senior levels in the junior gold sector since the early 1990s.

His first major success in the region was with SAMAX Gold (with discoveries in Tanzania & Ghana) which listed on the TSX in 1997 with its main asset being the Golden Pride mine. This company was taken over in 1998 by Ashanti

A strong & well-resourced shareholder base

Goldfields following SAMAX's discovery of a multi-million-ounce gold deposit that eventually become part of the Geita Mine in Tanzania.

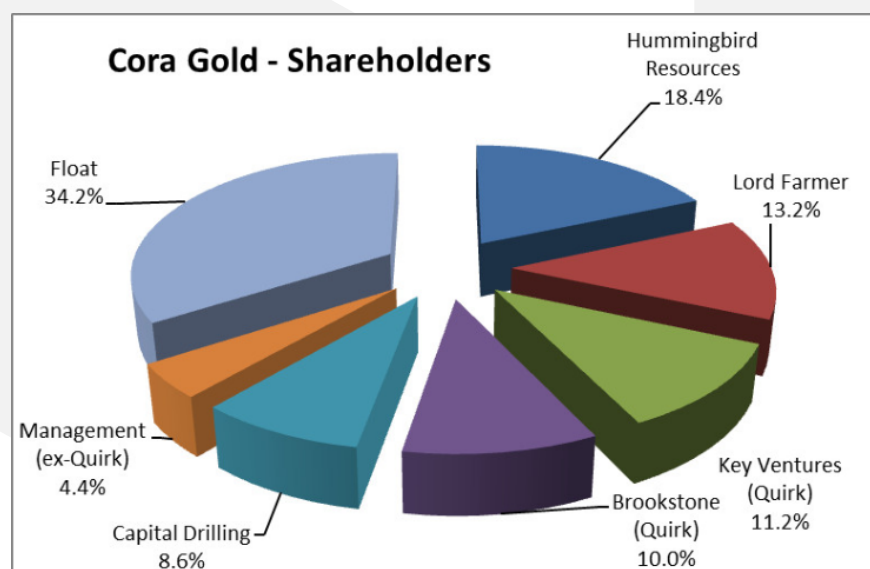
The next notable venture was with AXMIN (with discoveries in the Central African Republic, Sierra Leone & Mali). The Passendro Gold Project in the Central African Republic is still owned by AXMIN and has a total resource of 2.6 million ounces of gold (consisting of an indicated resource of 1.8mn ounces in 23.2mn tonnes grading 2.4 g/t Au and an inferred resource of 1.01mn ounces in 16.7mn tonnes grading 1.9 g/t Au). AXMIN's Kofi project in Mali eventually passed to Endeavour Mining (and now with Algom Resources).

More recently Dr Forster, in league with Craig Banfield, founded Bambuk Minerals (with discoveries in Senegal & Guinea). The main asset here being the discovery of +1mln ounces Au at the Mako (Petowal) mine in Senegal, which is now held by Toro Gold. The latter is now being taken over by Resolute Mining for US\$305mln in an agreed bid.

Looking for synergies with Hummingbird

Friends of Consequence : the Major Shareholders

There are three major shareholders of consequence at Cora Gold. In broad terms, these are Hummingbird; the investment vehicle of Lord Farmer and the investment vehicle of the Quirk family.



The Quirk family are well known in the mining community. Patrick Quirk was one of the founders of LionOre, which was acquired in 2007 by Norilsk Nickel, the world's largest nickel miner, for US\$6.3 billion. The family are represented on the board by Paul Quirk, who has many years of experience operating in the Congo, in particular. Key Ventures Holding Ltd, which holds 11.2% of Cora shares, relates to Paul Quirk. Brookstone Business Inc, which holds nearly 10% of Cora shares is also connected to the broader Quirk family. Management holds 15.65% when the holding of Paul Quirk (via Key ventures) is factored in.

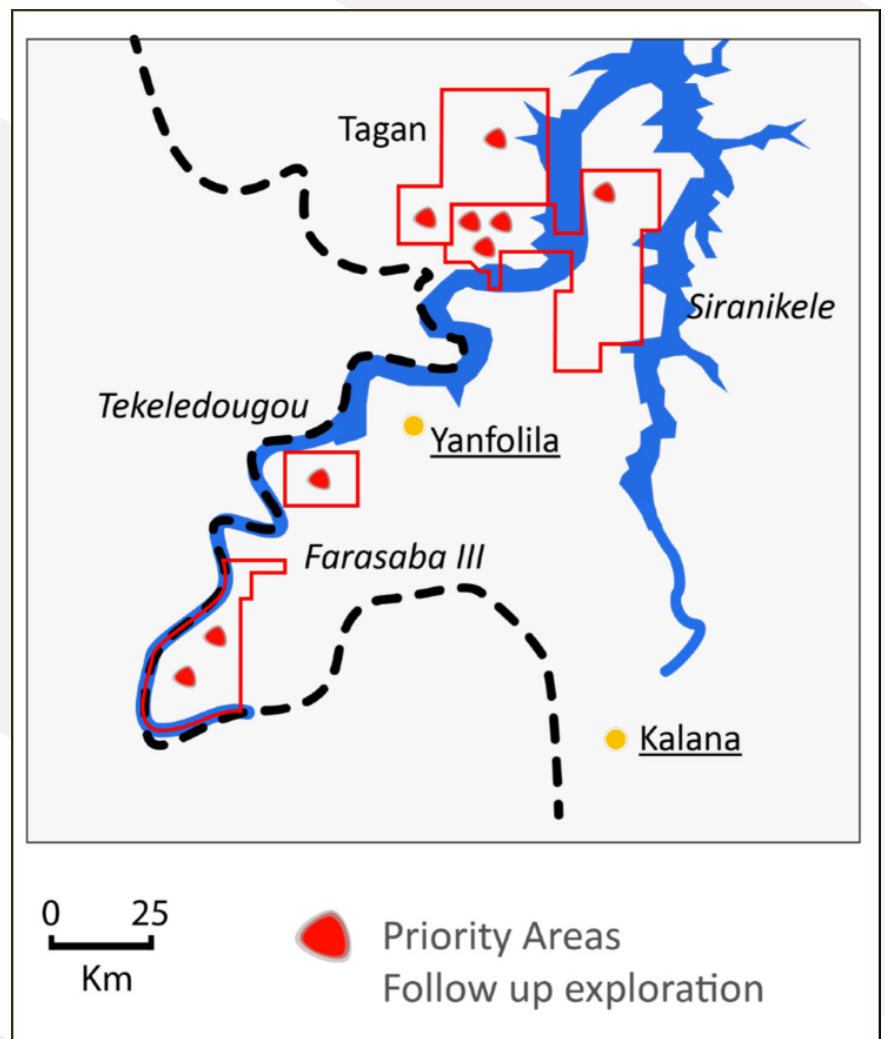
Lord Farmer held 13.16% at the last reckoning. He is a veteran of the metals trading world having worked his way up from being a difference account clerk and messenger in a London Metal Exchange member firm to being a founding partner for the Red Kite Group of hedge funds, which provides mine finance and futures investment opportunities for funds. Red Kite manages more than US\$2bn of assets as of the end of 2016.

Further projects for the pipeline

Tekeledougou

While Cora has several second-string projects it could potentially pursue (and that we could potentially highlight) it seems clear that the one with most gravitas and logic on its side currently is Tekeledougou.

The Tekeledougou property consists of a single permit that encompasses an area of 45 sq km. Although the property has only been subject to limited soil, termite mound and rock-chip sampling, it includes elevated gold results, artisanal workings and a favourable geological setting.



There are substantial artisanal pits on the property evidencing the prospectivity of this concession. Most interesting of these is the Woyoni Prospect, which is centred around a flooded artisanal pit (of over 15 metres in depth) where miners had extracted gold from sheeted E-W and N-S quartz veins beneath roughly -3-4 metres of alluvial overburden.

The property also occurs within 6 km of the Hummingbird Yanfolila (Komana) gold project. Despite this proximity, it was *not* one of the properties that came from the Hummingbird transaction several years ago.

The Yanfolila Gold Mine is an open-pit mining operation, which poured first gold on time and on budget in December 2017. The mining has hitherto been in oxide material.

The carbon-in-leach process plant currently has a throughput capacity of 1.24mln tonnes per annum (tpa), which is expected to be enhanced in 2019 when the secondary ball mill project has just been completed and is currently in the process of commissioning. Once operating, the ball mill will increase throughput capacity to 1.4mln tpa when processing a blend of ore types, and increase the rate from 1mln tpa to 1.23mln tpa when processing 100% fresh ore.

The relevance for Cora is that the oxide material at Yanfolila goes down to 50 metres whereas at Tekeledougou the oxide/sulphide horizon is at 80 metres. With further exploration, Tekeledougou could have the potential to be a feeder pit of free-digging oxide material in relatively close proximity to the Yanfolila plant.

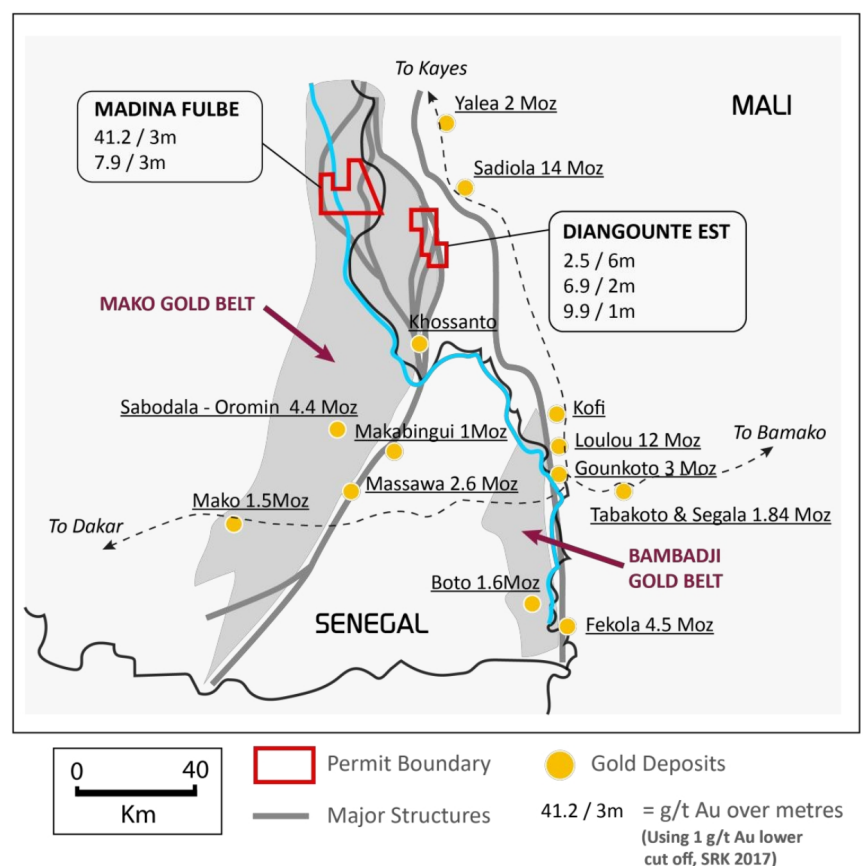
Then slightly further to the south-west is the Farassaba III permit. This has also been subject in the past to soil, termite mound and float sampling with some historical short reconnaissance drill work having been undertaken, which highlighted large scale gold targets.

The same distance to the north of Yanfolila (and across the dam) is the Tagan permit, which had expired in 2017, which Cora Gold has just been able to have renewed, sitting with its own drill-ready targets.

Cora Gold also has two projects in the Mako Gold Belt

Other Assets

As mentioned earlier the Birimian Greenstone Belt is host to a swathe of major mines developed in the last two decades. The intersection of Senegal, Mali and Guinea is a highly transited zone for explorers now. Besides the principal targets, already covered, Cora Gold also has two projects in the Mako Gold Belt, shown on the map below.



The Diangounte property comprises three contiguous permits (Diangounte Est, Satifara Ouest and Kakadian) that encompass a total area of 127 sq km. Historical and contemporary exploration activities have included soil, termite mound and rock-chip sampling and geological mapping. This resulted in the identification of two prospects that were drilled and returned intersections of 6m @ 2.51 g/t Au and 2m @ 6.94 g/t Au. The property also occurs about 6.5 km southwest of the AngloGold-Ashanti Sadiola gold mine.

The Madina Foulbe property in Senegal consists of a single permit that encompasses an area of 260 sq km. Historical exploration activities included soil and rock-chip sampling that resulted in the identification of several prospects. Two of the prospects were drilled and returned intersections that included 3m @ 41.20 g/t Au and 3m @ 7.86 g/t Au.

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