

# Initiating Coverage: Afema advanced multi-Moz gold project in Côte d'Ivoire

TCG.ASX | TURACO GOLD LIMITED | MATERIALS | GOLD

PRICE  
0.28/shTARGET PRICE  
0.58/shRECOMMENDATION  
SPECULATIVE BUY

## Summary

Turaco Gold (TCG) is an ASX-listed gold explorer in Cote d'Ivoire (West Africa), focused on advancing its **Afema Gold Project** towards development and production. Afema has the advantage of a granted mining licence (well supported mining convention), growing multi-million ounce gold resource, surrounded by highly-prospective exploration tenure, which is set to deliver the next wave of gold discoveries.

TCG's executive team has a proven track record of exploration success (discoveries and resource definition), advancing projects to development and executing well on M&A to realise significant shareholder value. The Afema project offers the following benefits:

- **Maiden Afema resource +2.5Moz @ 1.2g/t Au:** Only 3 of the 7 known deposits estimated, with Woulo Woulo providing the bulk 1.25Moz, and Jonction and Anuiri delivering higher grade contributions. The initial resource is considered interim, with drilling ongoing and mineralisation still open. **Woulo Woulo recent extensional results of 186m @ 1.65g/t Au** from 263m highlights upside +130m below current resource. TCG is trading at an EV/Resource oz of A\$80/oz (100%), which is below the peer average of just over A\$100/oz, with more to come.
- **Good access to infrastructure:** well-located only 2 hours drive from Abidjan (capital of Cote d'Ivoire), up against the Cote d'Ivoire and Ghanaian border. New sealed highway crosses the southern part of the project area connecting Abidjan to Ghana. The project is expected to have available grid power (hydropower) which is low cost (<US\$0.12/kWhr) adding to the attractiveness of a future operation.
- **Prime real-estate in a proven gold-rich greenstone with structural extensions from nearby major gold camps:** Greenstone belt and shear zone extensions from Ghana's gold districts of Bibiani and Chirano into the Afema Shear; and Nianemlessa Shear an extension of Ghana's Asankragwa Shear which hosts Obotan and Essase. Total project area spans ~1,267km<sup>2</sup>.
- **Advantage of granted mining licence (ML):** the granted ML covers 227km<sup>2</sup> and contains the main deposits (and resources) along the Afema Shear, and part of the prospective Nianemlessa Shear; ML valid til Dec'33 (and can be renewed for another 20 years thereafter); and is well supported by a Mining Convention which includes a potential 5-year tax holiday on any future production.
- **Project interest currently 51% but right to earn 70%:** we see good potential for higher project ownership over time, with the minority partner having no mining experience, and likely revert to some Corporate ownership at an appropriate time. TCG inherited over US\$40m of past exploration spend (+250km of drilling), enabling the fast-track of the resource estimation and datasets for the next discovery.
- **New exploration permits surround the granted ML:** TCG has 4 new concessions, of which 3 are granted and 1 pending grant. The permits have a 12-year term (valid til Jun'36), with some of the key prospects: Affienou, Baffia, Koffikro to explore.

### Initiating coverage with a Speculative Buy recommendation and PT of \$0.58/sh.

While recognising key de-risking milestones are still ahead for TCG in regards to completing feasibility studies, we are comfortable that the Company has confirmed good base resources from which to build critical mass which underpins value. We anticipate more discoveries to come, noting TCG continues to generate targets for drill-testing.

Ongoing drilling and results: Metallurgical test-work of key deposits; Resource updates; Development studies; Potential construction and production; M&A; and Gold Price.

## Analyst

Mike Millikan

mmillikan@eurozhartleys.com

Share Price	0.280	A\$/sh
Price Target	0.58	A\$/sh
Valuation	0.43	A\$/sh
Shares on issue (curr)	751	m
Issued options (curr)	40	m
Market Capitalisation*	221	A\$m
Enterprise Value	205	A\$m
Debt est	0	A\$m
Cash est	16	A\$m

Shareholders	msh	%
Endeavour Mining	45.2	6.0%
Yi Weng	48.1	6.4%
Justin Tremain	12.2	1.6%
Directors	21.1	2.8%

## Directors

John Fitzgerald	NE Chair
Justin Tremain	MD
Alan Campbell	NED
Bruce Mowat	NED

Resources 100%	Mt	g/t	Moz
Afema	64.3	1.22	2.52
		EV/Rc	80

## Details

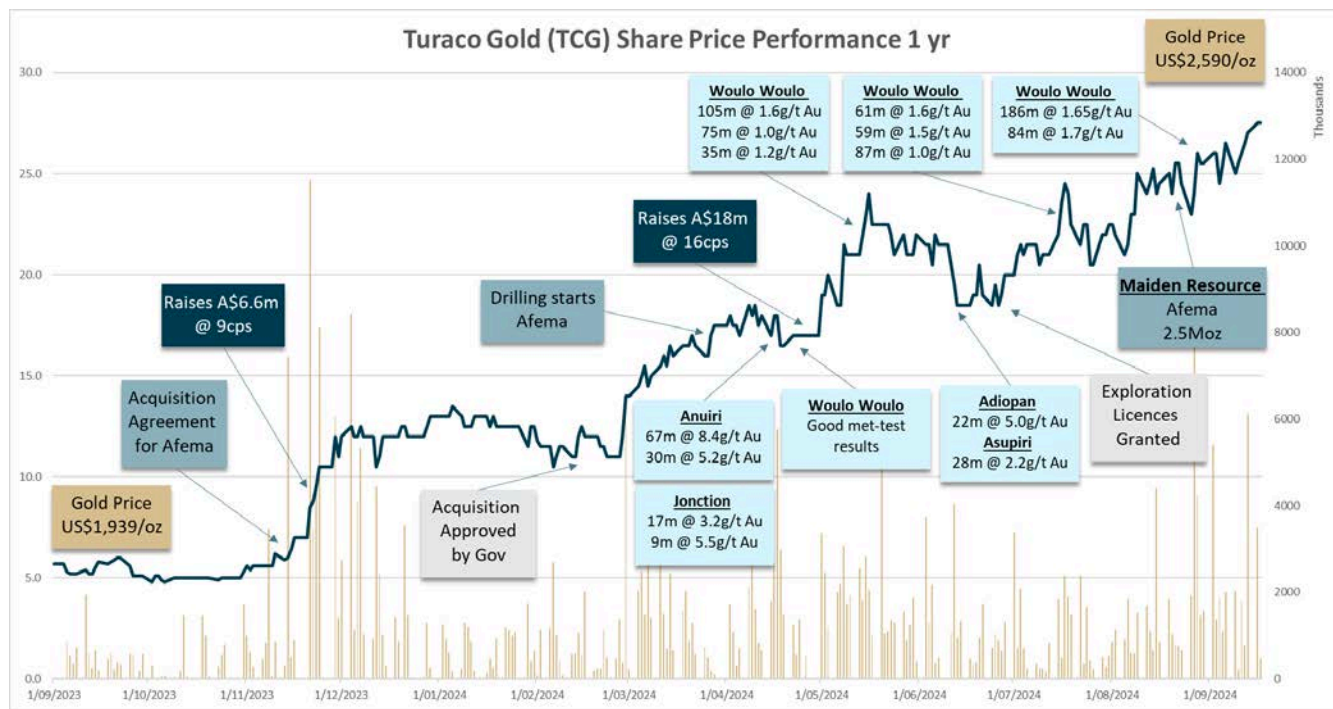
Level 1, 50 Ord St,  
West Perth WA 6005  
@TuracoGold  
/company/turacogold  
turacogold.com.au

## Performance



Source: IRESS

Figure 1: Turaco Gold Share Price Performance - 1 year



Source: IRESS, Euroz Hartleys

## Company Background

Turaco Gold (TCG) was formerly Manas Resources (MSR), a spin-out of mineral assets in the Kyrgyz Republic from Perseus Mining. Manas listed on the ASX in July 2008. The Kyrgyz Republic assets were sold in 2016, and the Company acquired its first West African gold assets in 2018, assembling prospective exploration projects in Cote d'Ivoire.

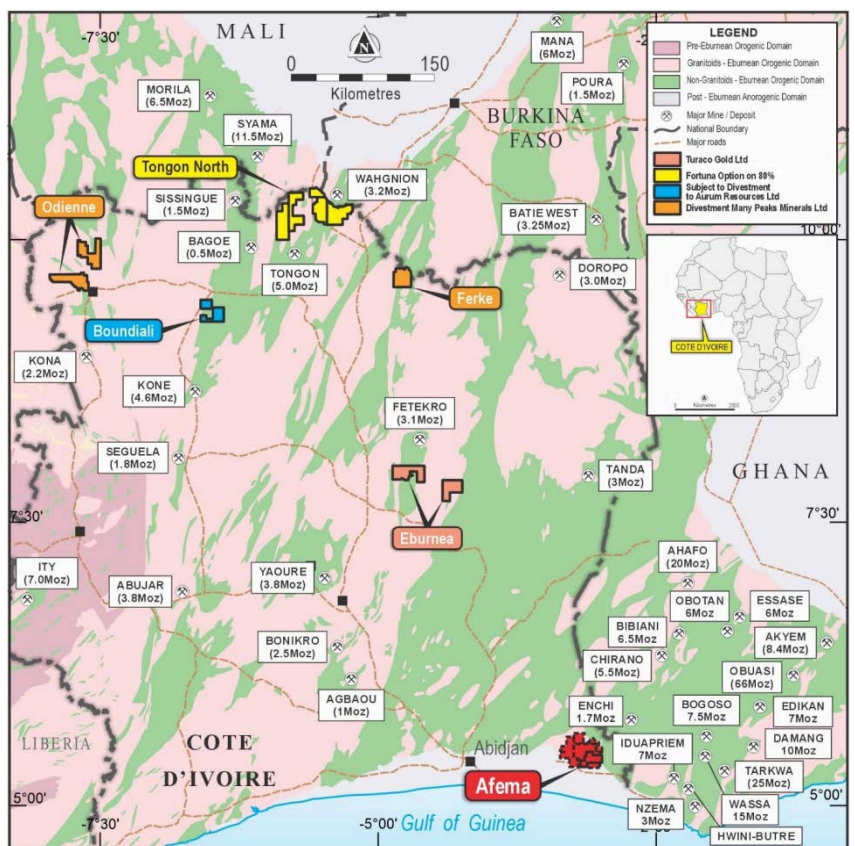
Justin Tremain was appointed Managing Director (MD) in November 2020, having just completed his time as MD of Exore Resources, which Perseus Mining acquired in September 2020 for its Bagoé Project also in Cote d'Ivoire. Additional Cote d'Ivoire exploration projects were added in May 2021, with an agreement reached with Resolute Mining over some 6,194km<sup>2</sup> of ground containing multiple gold discoveries, with key projects (Boundiali, Ferke, and Tongon North). At the same time, the Company completed a share consolidation (1 for 10) and changed its name to Turaco Gold.

In November 2023, TCG executed an agreement to acquire a 70% interest in the Afema Gold Project, seen as a "company making" deal, and means to fast-track its gold production aspirations. The Company has subsequently rationalised its Cote d'Ivoire exploration portfolio to focus on its flagship project (Afema). Recent divestments include:

- Tongon North – option agreement with Fortuna Silver Mines Inc for Fortuna to spend US\$3.5m to earn 80% interest, upon which time TCG receives US\$1.5m in cash.
- Boundiali South – an agreement reached with Aurum Resources for either A\$0.8m cash or up to A\$1.2m Aurum shares (at TCG's election).
- Boundiali North – divestment of TCG's 35% interest for 3,500m of drilling at Afema.
- Reached agreement with Many Peaks Minerals to divest TCG's 89% interest in the JV entity with Predictive Discovery (PDI). The PDI JV comprises the Ferke, Odienne and Beriaboukro Projects located in northern Cote d'Ivoire. TCG now holds 5m Many Peaks' shares, retaining some upside exposure to the projects.

In addition to Afema, TCG at this stage has retained its Eburnea Gold Project in central Cote d'Ivoire. The Company has current estimated cash of ~A\$16m, providing a healthy level of funding for ongoing drilling and project works.

Figure 2: Turaco Gold Projects Location - Cote d'Ivoire



Source: Turaco Gold

## Afema Gold Project

### Acquisition Terms

Turaco (TCG) has an initial 51% interest in the Afema Gold Project, acquired through Endeavour Mining (LSE: EDV; TSX: EDV) for US\$1.5m cash, 46.5m TCG shares (~7% substantial TCG shareholder, with a 12-month escrow period), and deferred cash payment of US\$650k (due in April'25).

TCG's Afema partner is a private investment company (Sodim), who has a current 49% interest. TCG has agreements in place to increase project ownership over time, via deferred considerations and potential milestone payments:

- Firstly, a cash payment of US\$380k was due within 12-months of acquiring the 51% shareholding from Endeavour – this payment be made in cash or shares at Sodim's election. This amount has now been adjusted after TCG settled some tax and creditor positions, which can be netted off future deferred considerations.
- Upon delivery of a PFS for Afema (assuming resource +2Moz) within 30-months, TCG can increase its interest to 65% via an adjusted cash payment of US\$2.155m.
- TCG then has the right for another 5% for US\$3.75m cash payment (total for 70% interest), which implies a total amount of **US\$5.905m** takes TCG's project interest from 51% to 70%.

We expect TCG to work on a deal for the 30% minority ownership, via combination of cash and scrip (so as Sodim retains some ownership via the Corporate), before reaching the potential development stage.

- Under the JV terms of TCG 70% (manager) and Sodim 30% (minority), TCG sole funds the project to a development decision under a loan agreement



- Sodim can contribute at the development decision or convert to a 2% NSR

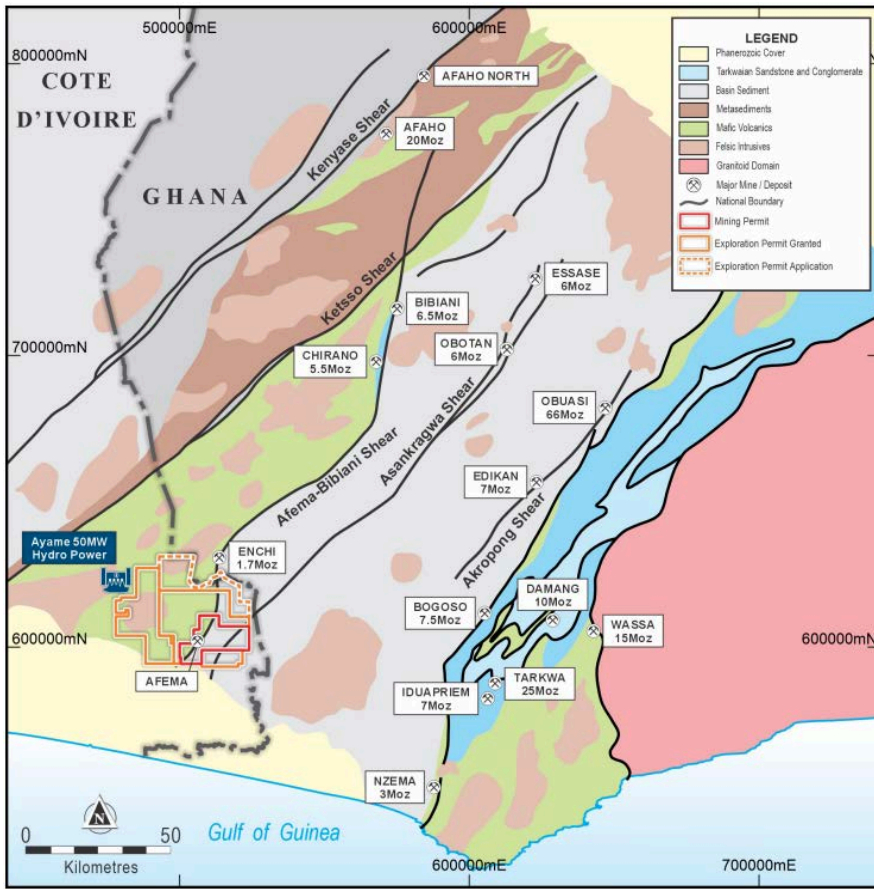
Other potential royalties include:

- A 0.9% NSR currently exists over the ML payable to Sodemi (Côte d'Ivoire state-owned mining company)

It is also worth noting that at the mining stage, the government attains a free-carried 10% interest in the project (i.e. TCG 90% (assuming minority sell down), Côte d'Ivoire 10%)

In addition, Turaco is required to make a US\$1.5m milestone payment to Sodim upon TCG delivering of a mineral resource estimate of +1Moz @ >1.2g/t Au within any of the exploration permits (cash or shares at Sodim's election) - TCG minimum exploration spend is also US\$4m within 3 years.

**Figure 3: Afema Gold Project Location & Background Geology**



Source: Turaco Gold

**Project Location and Background**

The **Afema** project is located ~2 hours drive (or ~120km east) from Abidjan, the capital city of Côte d'Ivoire, up against the Côte d'Ivoire and Ghanaian country border.

The project area contains highly prospective Birimian greenstones and extensions to the major Afema-Bibiani Shear (+25km strike within TCG ground), which hosts the Ghanaian gold deposits of Bibiani (6.5Moz) and Chirano (5.5Moz) and Asankragwa Shear, which contains Obotan (6Moz) and Essase (6Moz). See Figure 3 above.

Afema consists a granted mining permit (ML), well-supported by a Mining Convention with the Côte d'Ivoire government, which includes a potential 5-year tax holiday on future production.

The project is well located for key infrastructure with a new highway located in the southern parts of the project area (connecting Abidjan to Ghana), adjacent hydro-power grid access (expected to be low cost), and extensive water courses for water supplies.

The ML was granted in Dec'2013 and is valid through to Dec'2033, with an option for a 20-year renewal. TCG also has 4 exploration permits (3 of which now granted and 1 pending grant) over the surrounding ground, for total tenure coverage ~1,267km<sup>2</sup>. Afema was last operated as a small-scale heap leach operation in the 1990s, extracting some 125koz gold at a good pit grade of 3g/t Au.

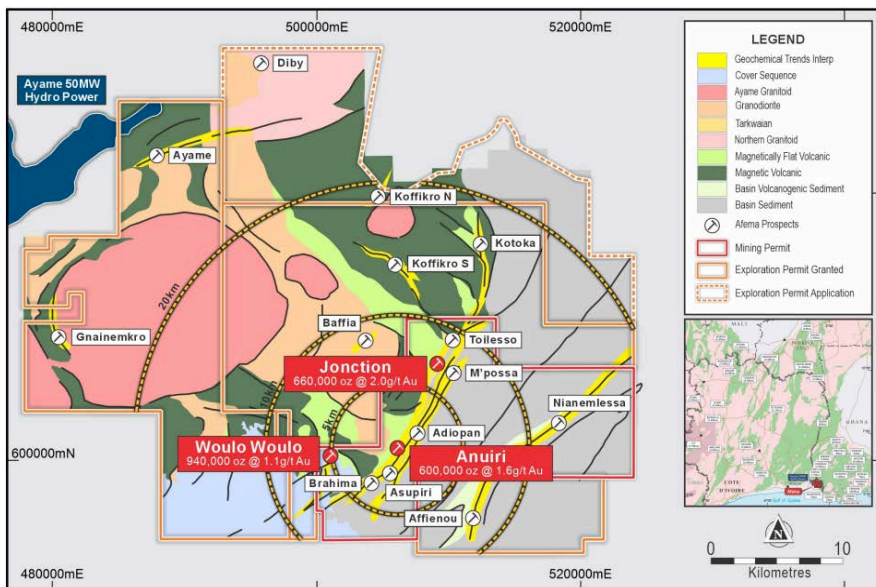
Previous owners Teranga Gold (acquired by Endeavour Mining (EDV)) targeted drilling along the +25km Afema shear, to identified ~2Moz in gold resources grading 1.4g/t Au (non-JORC). Some metallurgical test-work was completed at the time, highlighting sub-optimal recoveries for fresh sulphide-rich gold ores, though not conclusive. Previous exploration spend over the project is in the order of US\$40m, which gives TCG a big head-start for resource definition activities which continue.

To address potential metallurgical concerns for the Afema Shear, TCG has completed (or is the process of completing) a number of diamond metallurgical holes over each of the known deposits. The detailed met-testwork will fingerprint each deposit and investigate sulphide flotation and concentrate re-grinding to ascertain the optimal processing flowsheet for the project.

Just prior to acquisition by EDV, Teranga made a significant gold discovery at **Woulo Woulo**, which has gold mineralisation hosted in an altered rhyolite with extensive quartz veining. The deposit was extensively drilled by Teranga, defining continuous mineralisation 20-60m thick over a +3km strike; with the system still open. Already TCG sees potential for good base feed for a future gold operation from the open pit mining of Woulo Woulo, especially given the strip ratio is expected to be less than 4:1 (waste:ore). Important to note that Woulo Woulo contains all free milling ores (94% recoveries on oxide and +90% recoveries on fresh).

Other Afema deposits of interest include **Jonction** and **Anuiri**, which contain significant gold mineralisation. Jonction is considered a potential analogue to Chirano (+5.5Moz), having similar geology and orientation, also mineralisation fine grain pyrite associated. Anuiri contains some very high grade zones but appears somewhat more complex to Jonction. Woulo Woulo is located less than 7km away from Jonction and Anuiri. Some of the key prospects to test on the EL's include Affienou, Baffia, and Koffikro

Figure 4: Afema Deposits, and Prospects



Source: Turaco Gold

**Maiden Resource +2.5Moz**

In under 6-months, TCG has delivered a maiden independent JORC resource for the Afema project. A great outcome, with the initial resource considered interim, as drilling is ongoing and mineralisation remains open. Overall, 60% of current resources are Indicated, and constrained to open pit mining scenarios.

**Figure 5: Afema Maiden Resource - August 2024**

Afema Project JORC 2012 Mineral Resource Estimate			
Deposit	Tonnes	Gold Grade	Ounces
Woulo Woulo (0.5g/t cut-off)	42.6Mt	0.9g/t	1,250,000
Jonction (0.7g/t cut-off)	10.1Mt	2.0g/t	660,000
Anuiri (0.7g/t cut-off)	11.6Mt	1.6g/t	600,000
<b>Total</b>			<b>2,520,000</b>

Source: Turaco Gold

At this stage, only 3 deposits have been estimated for the project resources – Woulo Woulo, Jonction and Anuiri. Mineralisation from the Asupiri, Brahima, Adiopan and Toilessso deposits have been excluded, as all require additional drilling and metallurgical test-work.

**Woulo Woulo**

The initial Woulo Woulo resource is **42.6Mt @ 0.9g/t Au for 1.25Moz** (lower cut-off 0.5g/t) of which 65% is currently Indicated. At a lower cut-off grade of 0.7g/t Au the deposit contains 26.2Mt @ 1.1g/t Au for 940koz gold. Shallow mineralisation spans over 3km of strike, and remains open.

Two main domains have been identified from the resource modelling:

- **W-W North** – 1.5km long domain drilled to 250m depths, typically 55m true-width, widening and grade improving at depth, which bodes well for growth.
  - 1.04Moz @ 0.9g/t Au (0.5g/t Au LC)
- **W-W South** – 1.3km long domain drilled to 130m depths, also remains open at depth and requires more drilling.
  - 210koz @ 0.8g/t Au (0.5g/t Au)

**Figure 6: Woulo Woulo North**

Woulo Woulo North JORC 2012 Mineral Resource Estimate				
Cut-Off	Classification	Tonnes	Gold Grade	Ounces
	Indicated	19.5Mt	1.0g/t	600,000
0.5g/t	Inferred	15.1Mt	0.9g/t	440,000
	<b>Total</b>	<b>34.7Mt</b>	<b>0.9g/t</b>	<b>1,040,000</b>
	Indicated	13.1Mt	1.1g/t	480,000
0.7g/t	Inferred	9.1Mt	1.1g/t	330,000
	<b>Total</b>	<b>22.2Mt</b>	<b>1.1g/t</b>	<b>810,000</b>

Source: Turaco Gold

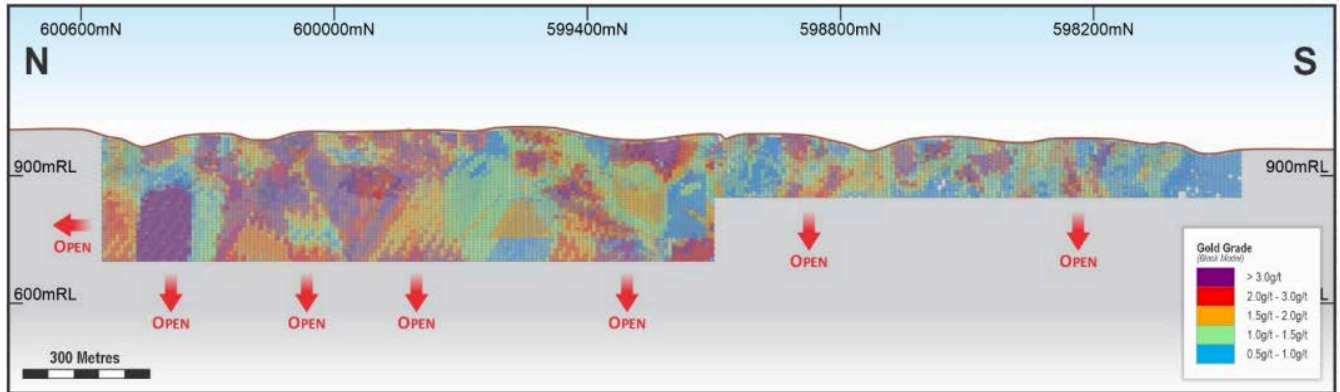
**Figure 7: Woulo Woulo South**

Woulo Woulo South JORC 2012 Mineral Resource Estimate				
Cut-Off	Classification	Tonnes	Gold Grade	Ounces
	Indicated	7.9Mt	0.8g/t	200,000
0.5g/t	Inferred	0.1Mt	0.6g/t	10,000
	<b>Total</b>	<b>7.9Mt</b>	<b>0.8g/t</b>	<b>210,000</b>
	Indicated	<b>4.0Mt</b>	1.0g/t	130,000
0.7g/t	Inferred	-	-	-
	<b>Total</b>	<b>4.00Mt</b>	<b>1.0g/t</b>	<b>130,000</b>

Source: Turaco Gold



**Figure 8: Woulo Woulo Block Model - Long Section (looking east)**



Source: Turaco Gold

Woulo Woulo is located within a north trending splay off the main Afema Shear. Mineralisation is restricted to an altered rhyolite and associated volcanic conglomerate, with wall rocks comprised of fine-grained volcanogenic sandstones and dolerites.

**Figure 9: Old Colonial Workings - Herman Mine**



Source: Euroz Hartleys Site Image

**Figure 10: Woulo Woulo RC Drilling**



Source: Euroz Hartleys Site Image

Interesting to note that the old colonial workings at Herman Mine which is located close to Woulo Woulo, on a potential parallel structure. TCG expects to complete some drilling over this prospect in the coming weeks, which has the potential to add to existing resources over time.

Figure 11: Altered Mineralised Rhyolite - Woulo Woulo



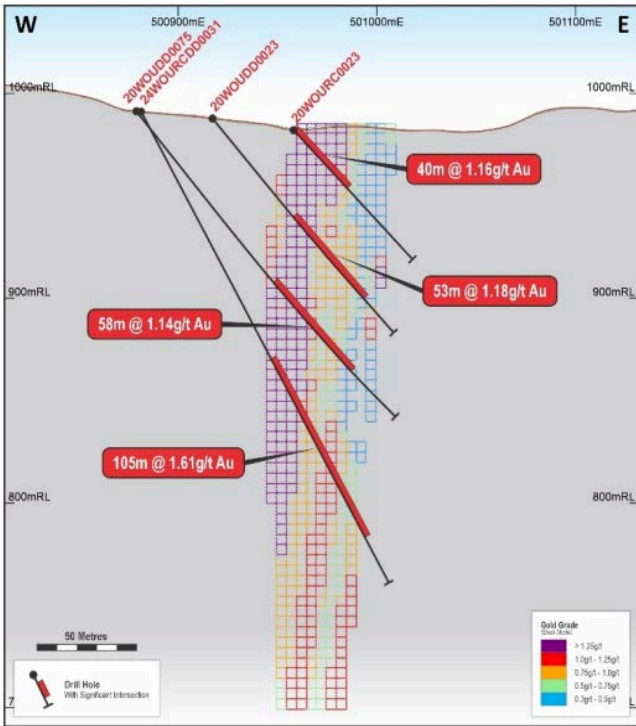
Source: Euroz Hartleys Site Image

Figure 12: Drill Pad mineralised exposure - Woulo Woulo



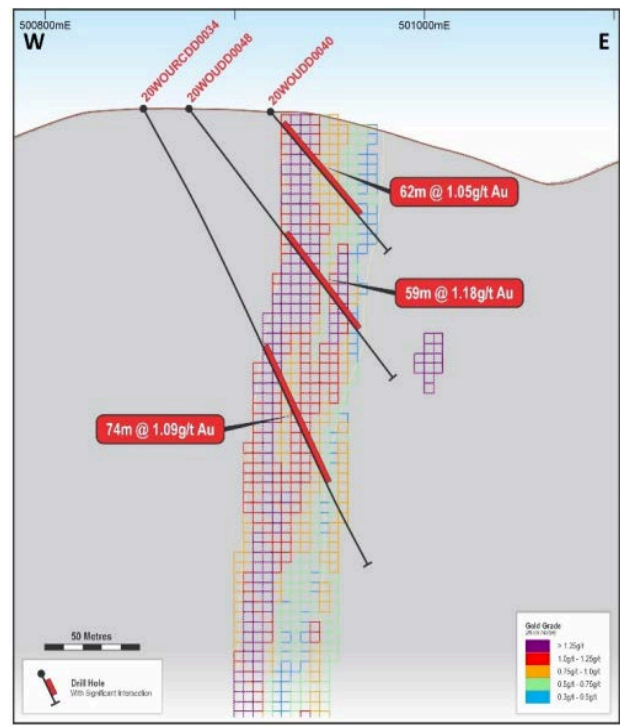
Source: Euroz Hartleys Site Image

Figure 13: Woulo Woulo Cross Section



Source: Turaco Gold

Figure 14: Woulo Woulo Cross Section



Source: Turaco Gold

Turaco has completed metallurgical test-work for each of the oxide, transitional and fresh mineralised domains at Woulo Woulo. Composites were collected from 9 diamond holes, with the base-line leach tests undertaken on 75 micron (P80 75µm) grinds to deliver conventional ~94% recoveries on oxide, ~88% recoveries on transition, and ~89% on fresh samples. The Bond Ball Mill Work Indices for the samples were also best described as "medium to medium-hard".



**Figure 15: Woulo Woulo Metallurgical test-work Results**

	Gold Grade	Gold Extraction
Oxide	1.21g/t	93.9%
Transition	1.35g/t	88.2%
Fresh	1.31g/t	89.4%

Source: Turaco Gold

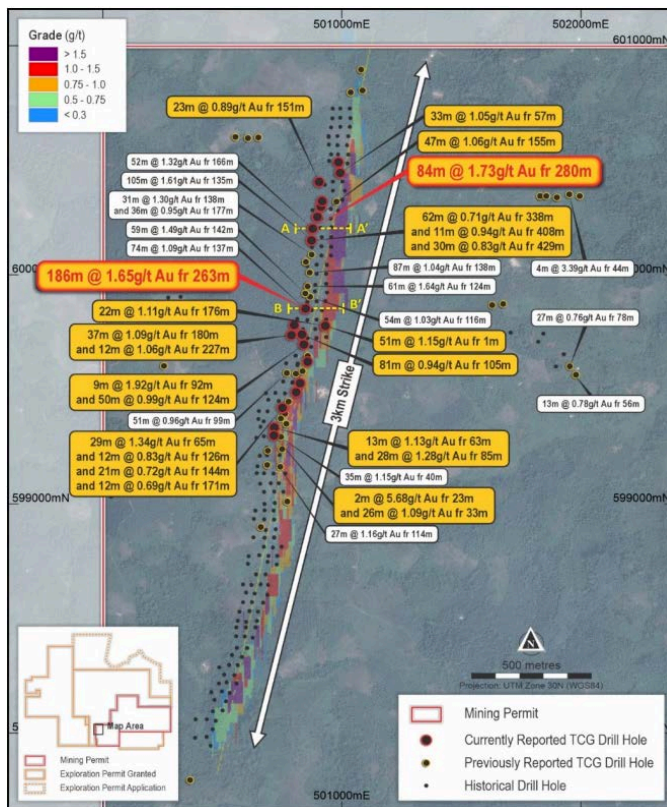
Further metallurgical test-work is planned to optimise the extraction rates and reagent consumption use. In addition, potential run-of-mine (ROM) blends with the higher-grade Junction and Anuri deposits will be investigated.

Drilling is ongoing at Woulo Woulo with recent drill highlights (not included in the latest resource estimate) of:

- **186m @ 1.65g/t Au** from 263m (incl. 7m @ 14.43g/t Au) - Hole 24WOUIDD0198
- **84m @ 1.73g/t Au** from 280m - Hole 24WOUIDD0193
  - Diamond hole drilled slightly oblique to mineralisation due to drill pad location with the true width expected to be ~85m
  - Located 360m along strike of Hole 24WOUIDD0198, also drilled slightly oblique to mineralisation, true width estimated to be 50-60% for ~46m

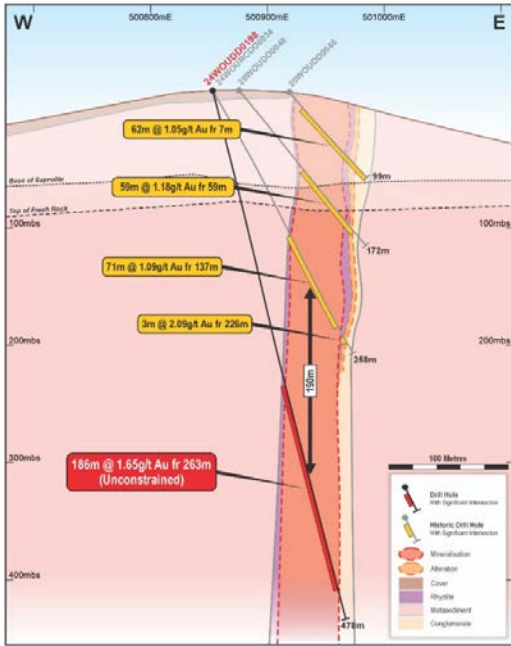
Important to note that gold grade appears to be increasing at depth, with grades well above the current resource grade and results are pending from another 5 holes. These two drill holes imply vertical mineralised extensions of ~190m and ~150m (see Figures 13 & 14), and were collared ~360m apart, which bodes well for resource growth to come.

**Figure 16: Woulo Woulo Drill Plan**



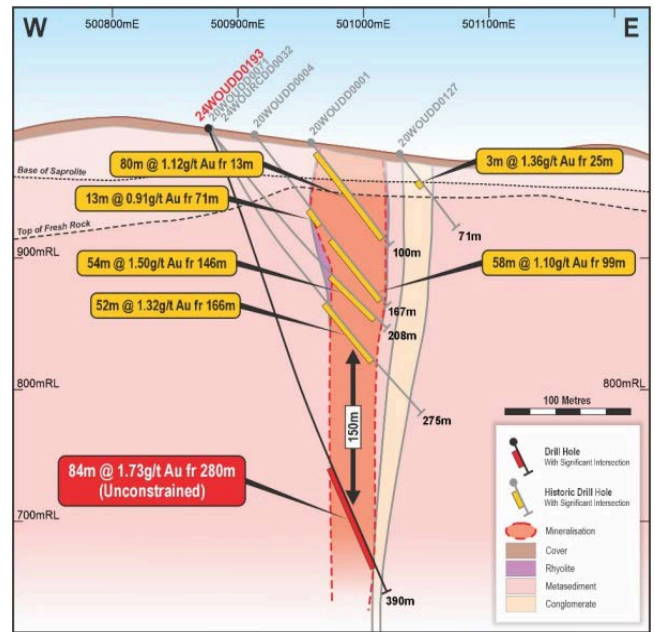
Source: Turaco Gold

Figure 17: Woulo Woulo Cross Section - A-A'



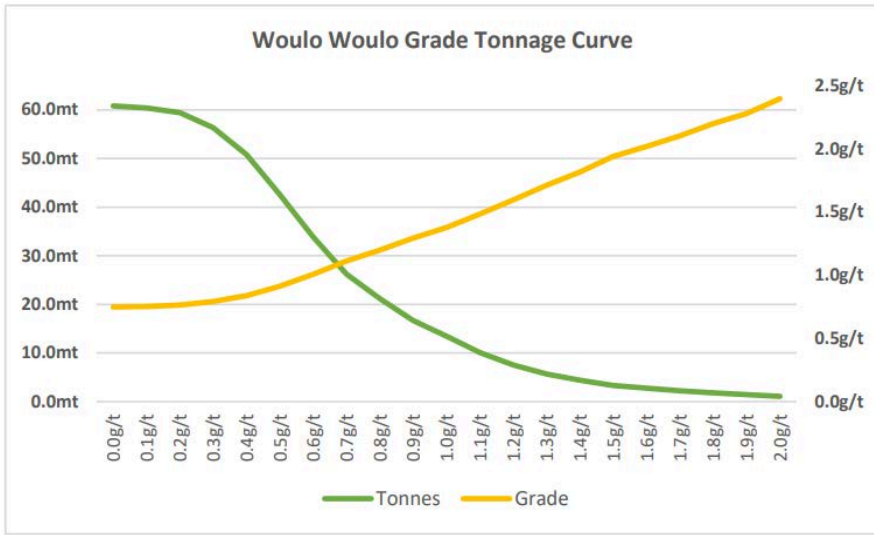
Source: Turaco Gold

Figure 18: Woulo Woulo Cross Section - B-B'



Source: Turaco Gold

Figure 19: Woulo Woulo Grade Tonnage Curve



Source: Turaco Gold

**Jonction**

The maiden Jonction resource is **10.1Mt @ 2.0g/t Au for 660koz** (at lower cut-off of 0.7g/t), of which 55% of the current resource Indicated, and remains open. Jonction also has a high-grade core of mineralisation with 490koz @ 3g/t Au (at lower cut-off of 1.5g/t).

**Figure 20: Jonction Maiden Resource**

Jonction JORC 2012 Mineral Resource Estimate				
Cut-Off	Classification	Tonnes	Gold Grade	Ounces
0.5g/t	Indicated	5.9Mt	2.0g/t	390,000
	Inferred	5.8Mt	1.6g/t	310,000
	<b>Total</b>	<b>11.7Mt</b>	<b>1.8g/t</b>	<b>700,000</b>
0.7g/t	Indicated	5.2Mt	2.2g/t	370,000
	Inferred	4.9Mt	1.8g/t	290,000
	<b>Total</b>	<b>10.1Mt</b>	<b>2.0g/t</b>	<b>660,000</b>

Source: Turaco Gold

TCG drilled 3 diamond holes at Jonction for preliminary metallurgical test-work. Two bulk composite samples were investigated, one high-grade composite (potential underground material - 6g/t Au) and the other a medium-grade composite (potential open pit material - 2g/t Au). Both samples were subjected to base-line cyanide leaching at (P80) 75µm and then tested using flotation, cyanide leaching of rougher and cleaner float tails, and then treatment of the flotation concentrate by ultra-fine grinding (UFG) and oxidative-cyanide leaching.

**Figure 21: Jonction Flotation Results**

	High Grade	Medium Grade
Assay Head Gold Grade	6.00g/t	2.03g/t
Calculated Head Gold Grade	5.77g/t	2.05g/t
Gold Recovery to Concentrate	94.1%	94.0%
<b>Mass Recovery</b>	<b>4.7%</b>	<b>2.6%</b>
Concentrate Gold Grade	116.0g/t	75.5g/t

Source: Turaco Gold

We note the mass recovery (or mass pull) is considered very good, achieving >5% on the high-grade composite and <3% on the medium grade composite. A low mass pull implies only a small amount of material (sulphide concentrate) reports to a potential regrind circuit (aka HIG mill), which lower operating costs (due to reduced power and reagent consumption). Although a lot more test-work is required, we see potential for an Okvau-like processing flowsheet, which is highlighted in the below Figure 19.

**Figure 22: Jonction Gold Extraction after UFG oxidative-cyanide leach**

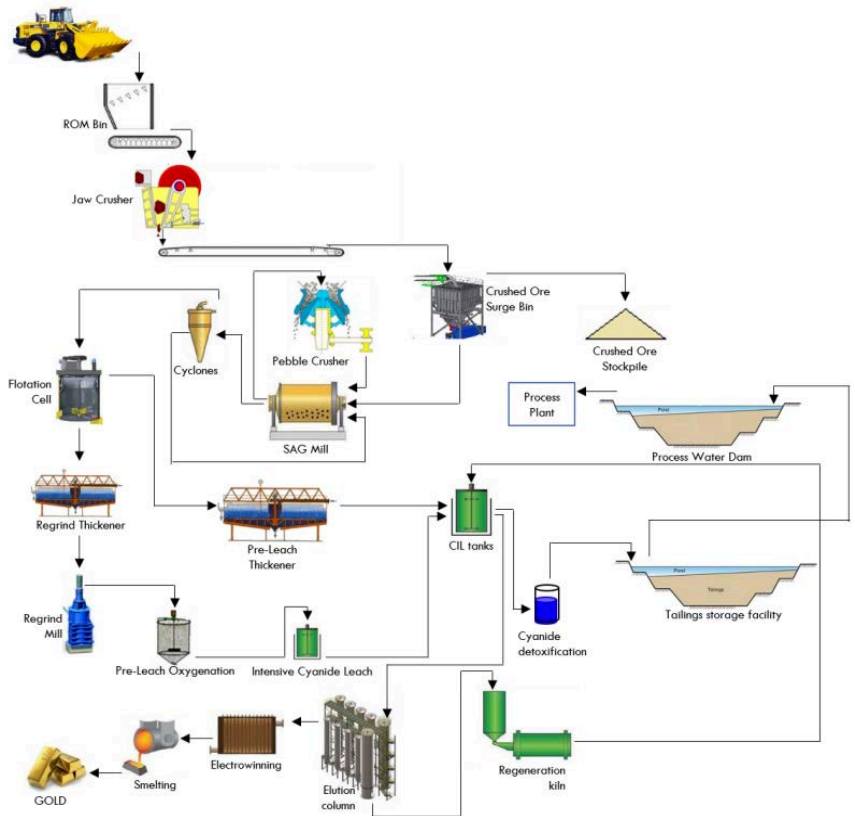
	High Grade	Medium Grade
Calculated Head Grade	6.21g/t	1.99g/t
Baseline Cyanide Leach Extraction	58.7%	50.4%
<b>Calculated Head Grade</b>	<b>5.75g/t</b>	<b>1.85g/t</b>
<b>Flotation/UFG Oxidative &amp; Cyanide Leach Extraction</b>	<b>84.9%</b>	<b>76.8%</b>

Source: Turaco Gold



The Bond Ball Mill Work Indices for the samples were also best described as "medium" hardness. **Metallurgical test-work achieved overall recoveries of 76.8% - 84.9%** from fresh sulphide mineralisation via grind, sulphide flotation, ultra-fine grinding (UFG), oxidative-cyanide leaching of a low mass concentrate.

**Figure 23: Emerald Resources (EMR) Okvau Processing Flowsheet**



Source: Emerald Resources - Okvau DFS May 2017

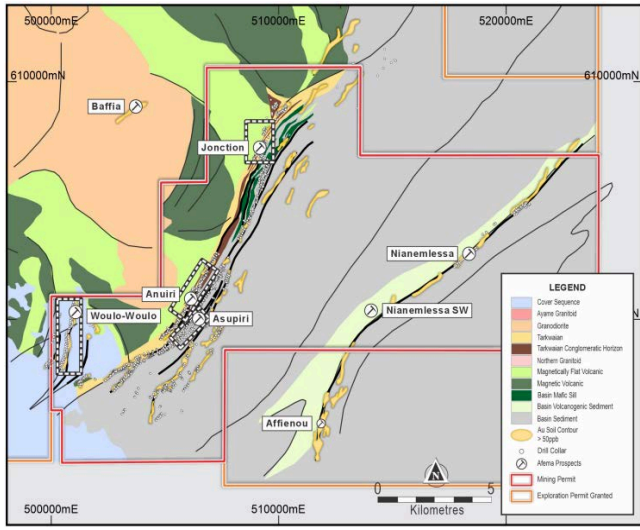
EMR's Okvau processing plant in Cambodia, has a flotation circuit to achieve a high-sulphide recovery concentrate with a mass pull of ~8%, and a regrind circuit for an initial designed throughput capacity of 21tph (assumed +91% availability) to provide concentrate regrinds of 80% passing (P80) 10 microns (10µm). TCG at this stage has a lower mass pull for Jonction than Okvau, but further more-detailed metallurgy and optimisation is required.

Turaco has planned drilling to further define the high-grade shoots at Jonction, noting that both the Hanging Wall (HW) and Foot Wall (FW) have high-grade lodes, which is not too dissimilar to the Chirano deposit (Ghana). The FW position remains open up and down plunge, with drilling to initially target the up-dip position (expected to add tonnes, grade and ounces).

Jonction sits within a sequence of sandstone with conglomeratic horizons interpreted as belonging to the regional Tarkwaian Group. Tarkwaian Group rocks are seen on a similar stratigraphic position in the Sefwi belt (which hosts Chirano) and are associated with major structural breaks between greenstone belts and basin sediments.

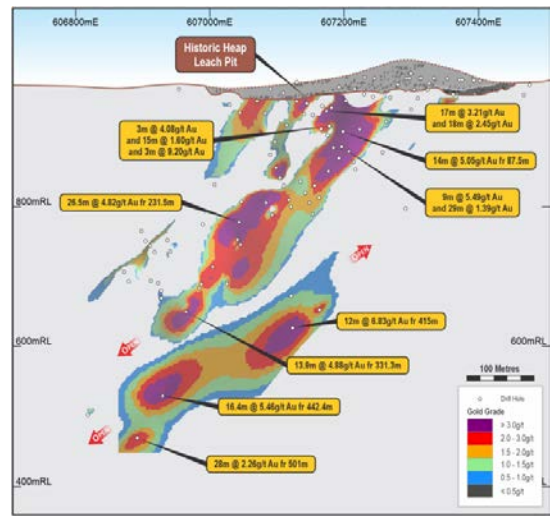
It is also worth noting the lack of drilling to the south of Jonction back towards the Anuri deposit, with the Tarkwaian sediments along the Afema shear expected to provide more favourable metallurgical outcomes, as opposed to the basin sediments to the east which are more carbonaceous in parts. Potential repeat systems to south and to the north of Jonction represent priority targets soon to be tested.

Figure 24: Key Deposits along Afema Shear



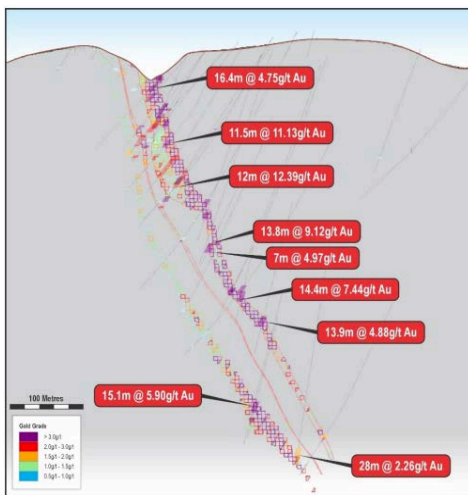
Source: Turaco Gold

Figure 25: Junction Long Section (looking west)



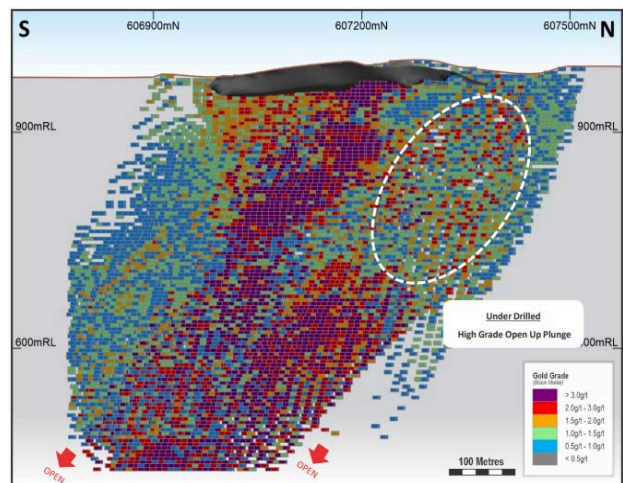
Source: Turaco Gold

Figure 26: Junction Cross Section



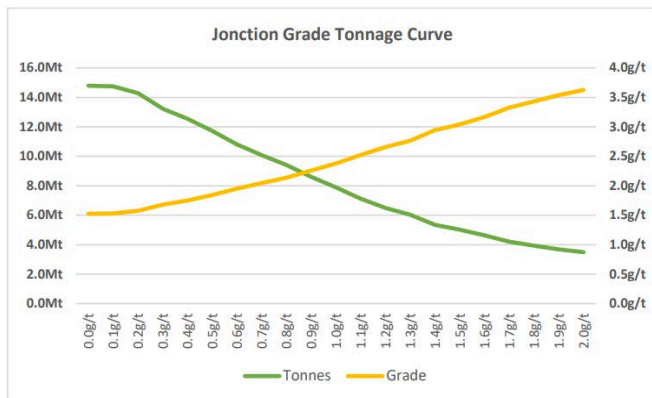
Source: Turaco Gold

Figure 27: Junction Isometric View Block Model



Source: Turaco Gold

Figure 28: Junction Grade Tonnage Curve



Source: Turaco Gold

**Anuiri**

The maiden Anuiri resource is **11.6Mt @ 1.6g/t Au for 600koz** (at lower cut-off of 0.7g/t), also 55% Indicated and remains open.

Metallurgical test-work has commenced on the deposit but not as yet completed (expected near-term). The deposit (at this stage) is expected to have similar sulphide flotation results to Junction and we would assume a similar flowsheet (grind, sulphide flotation, ultra-fine grinding of a concentrate, and oxidative-cyanide leaching).

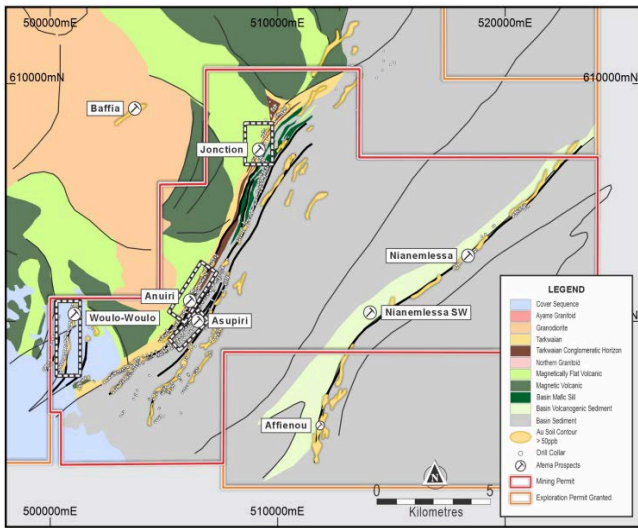
Although Afema, is a multiple shear system, Junction and Anuiri are interpreted to be on the same structure with similar host rocks, hence the assumption of similar metallurgy.

**Figure 29: Anuiri Maiden Resource**

Anuiri JORC 2012 Mineral Resource Estimate				
Cut-Off	Classification	Tonnes	Gold Grade	Ounces
0.5g/t	Indicated	7.2Mt	1.6g/t	360,000
	Inferred	7.1Mt	1.3g/t	290,000
	<b>Total</b>	<b>14.3Mt</b>	<b>1.4g/t</b>	<b>650,000</b>
0.7g/t	Indicated	5.9Mt	1.8g/t	340,000
	Inferred	5.7Mt	1.4g/t	260,000
	<b>Total</b>	<b>11.6Mt</b>	<b>1.6g/t</b>	<b>600,000</b>

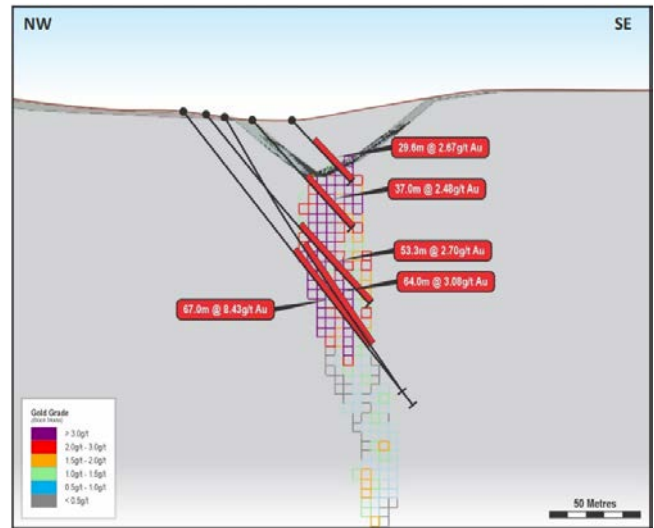
Source: Turaco Gold

**Figure 30: Key Deposits along Afema Shear**



Source: Turaco Gold

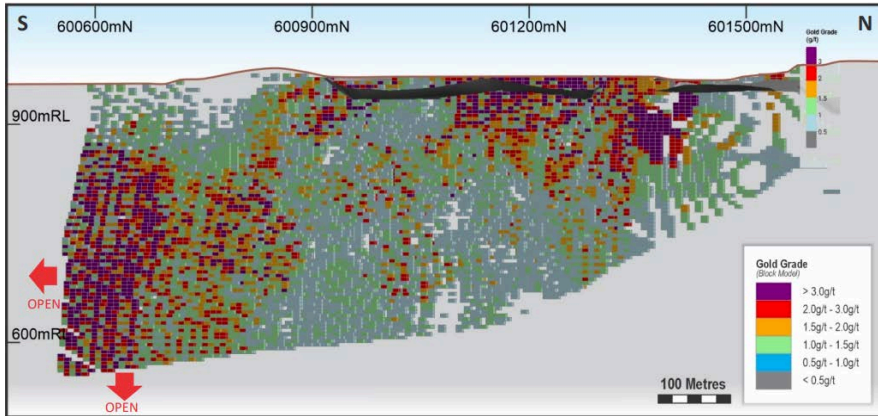
**Figure 31: Anuiri Block Model - Cross Section**



Source: Turaco Gold

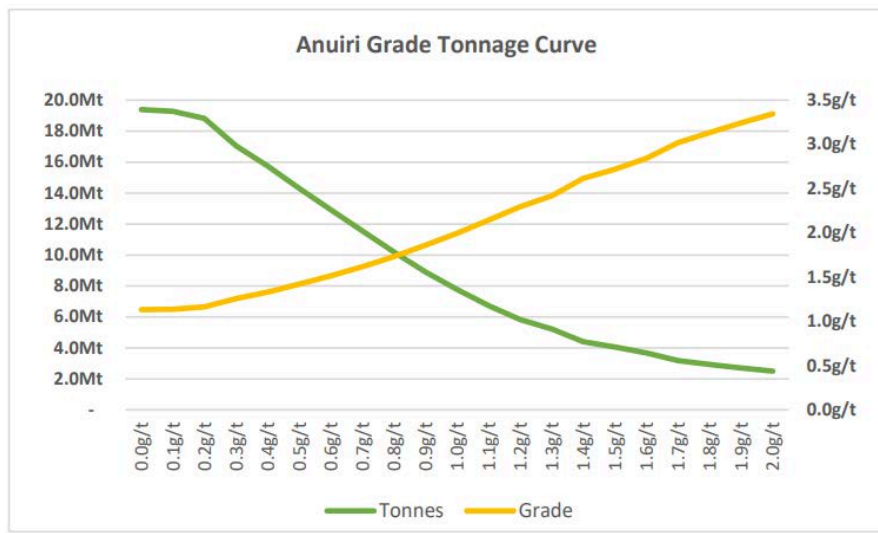


Figure 32: Anuri Block Model - Long Section (looking west)



Source: Turaco Gold

Figure 33: Anuri Grade Tonnage Curve



Source: Turaco Gold

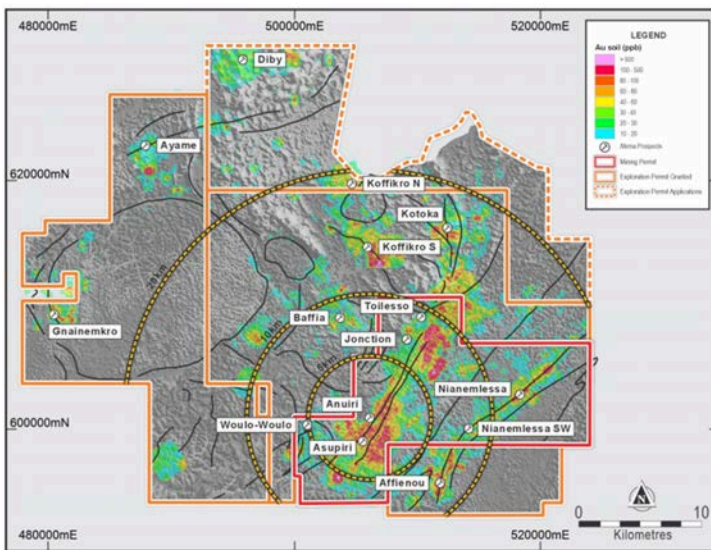
### Exploration Upside

Turaco expects to commence exploration over recently granted exploration permits in Sep'24. Highly prospective but under-explored ground, with some of the priority targets including: Affienou, Niamienlessa and Baffia; all planned to be drill-tested.

The **Nianemlessa Shear** is seen as a prime structure for future discoveries, with the shear spanning over 20km with historical trenching delivering significant results, such as.

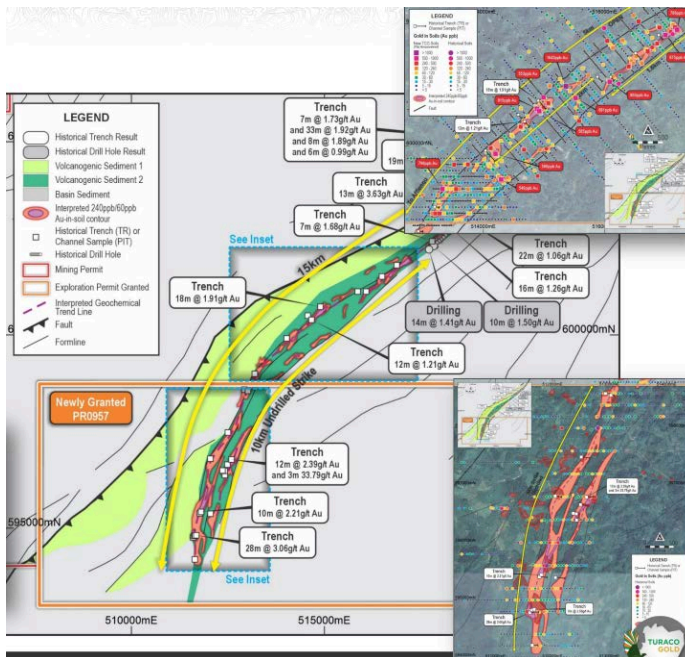
- **Affienou** which is currently un-tested by drilling but trenching delivered results of: 28m @ 3.06g/t gold, 10m @ 3.29g/t Au and 11m @ 2.59g/t Au

Figure 34: Extensive Unexplored Tenement Holding



Source: Turaco Gold

Figure 35: Highly Prospective Newly Granted Permits

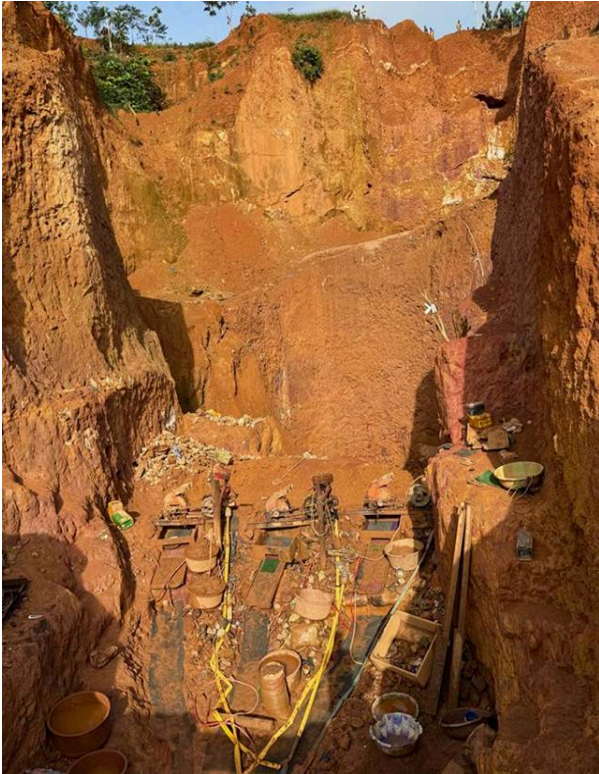


Source: Turaco Gold



We recently visited the extensive artisanal workings at **Affienou** which has a current mining area of over +50m widths, with TCG sampling of some of the pit walls returning 36m @ +4g/t Au (see image below).

**Figure 36: Artisanal Mining - Sluices**



Source: Euroz Hartleys Site Image

**Figure 37: Artisanal - Gold Panning**



Source: Euroz Hartleys Site Image

**Figure 38: Artisanal Mining - More Sluices**



Source: Euroz Hartleys Site Image

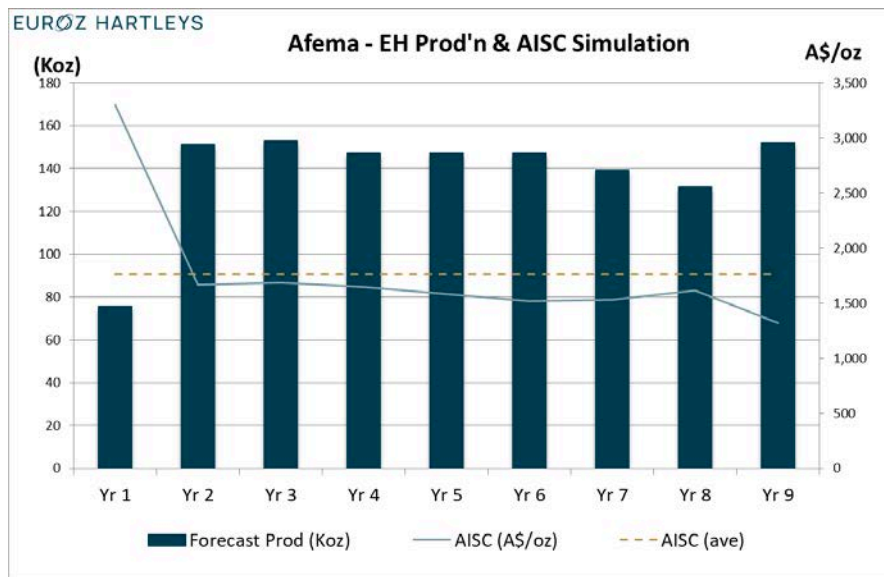


### Potential Development Scenario (building critical mass)

#### Afema Gold Project

- Cote d'Ivoire, ownership 90% at mining stage (assuming deal done with the minority, and no new changes to the mining code)
- 4-5Mtpa scale operation
- On the current grade profile would imply potential for +150kozpa (target reserve position +1.5Moz) - see production simulation below
- Assume blended ore for recoveries 85-88%, depending on mix
- Would Wouldo to provide base feed (all free-milling) with Jonction-Anuiri to provide higher grade material for optimal head grades +1.1-1.4g/t Au
- Process flowsheet similar to Okvau (EMR Cambodia) – a single stage crushing circuit and SAG mill, sulphide flotation, regrind mill followed by conventional cyanide leaching
  - Metallurgy currently un-optimised, but highlights a very good low mass pull (< 5% vs Okvau ~8%) – lower energy consumption and reagent use
  - Expected to have a similar re-grind to Okvau which has a concentrate regrind 80% passing 10 micron (P80 10µm)
  - Can connect into the grid for low-cost hydro-power (PRU pays <US\$0.12/Kwhr for power at Yaouré) – power lines ~30km away
  - Use of lead nitrate could also enhance recoveries
- Capex range >US\$250-300m (EH rough estimates only)
- Current MC ~A\$200m

Figure 39: Afema EH Production & Cost Simulation



Source: Euroz Hartleys; simulation only, subject to change

- On the above assumptions, assuming 90% project ownership at the mining stage, with potential for a 5-year tax holiday, we can derive a NPV12 (risked) project value of ~A\$336m (EH gold price deck) or ~A\$675m (on current spot gold price and exchange rates) - note no development studies have as yet been released, as such only preliminary value (highly speculative).

- TCG is still in the Speculation to Discovery phase on the Lassonde Curve, which is an exciting investment period, although volatile at times.
- Exploration risk has been mitigated by previous exploration (quality data sets), proven gold endowment (initial resources and active artisanal mining areas), multiple gold deposits (which remain open) and numerous new prospects to test over time.
- On a current EV/Resource metric TCG is trading ~A\$80/resource oz, below the peer average of just over A\$100/oz, which also underpins an indicative value of +A\$250m (or ~34cps) on 100%-basis.
- Our **Price Target of 58cps**, is derived from our risked weighted valuation from our EH gold price assumptions (conservative ~US\$1,900/oz gold long-run) providing preliminary value (43cps) and our valuation using current gold price (~US\$2,590/oz) and exchange rates (0.682 AUDUSD) with lower weighting (85cps).

### Comparison to Robex Resources Inc (RBX.TSX)

#### Kinero Gold Project

- Guinea, ownership 85% at mining stage
- Former Semafo heap leach operation, highlighting extensive oxide potential
- DFS'23 to be updated to include Mansounia (~900koz @ ~1g/t Au, low strip 1:1, 80% of resource <70m) and increase scale to 4-5Mtpa (likely 6Mtpa on 100% oxide)
- Targeting +1.5Moz reserve for +12 year mine life
- Production levels increase to +150kozpa @ attractive AISC US\$1,000-1,100/oz AISC
- Capex US\$200m (noting Tietto Minerals (TIE) built Abujar 5.3Mtpa for US\$204m)
- Current MC +A\$440m (C\$407m), still progressing permitting but could be in production in 12-18 months

### Comparison to Predictive Discovery (PDI.ASX)

#### Bankan Gold Project

- Guinea, ownership 85% at mining stage
- PFS'24 reserve 3.05Moz @ 1.6g/t Au (open pit and underground) resource +5.4Moz @ 1.66g/t Au
- Scale 5.5Mtpa
- Ave production 269kozpa @ US\$1,130/oz AISC over 12 year mine life – one of the largest of the advanced development projects in Africa
- Max production levels is +400koz in Year 7
- Capex US\$456m (pre-production)
- Current MC +A\$650m
- Takeover interest from Perseus Mining, still progressing permitting (which is targeted for Q4CY24), over 3 years away before potential production

### Some Selected African Deals

Recent African gold acquisitions present an upside to current valuation should TCG's exploration potential and resource conversion come to fruition.

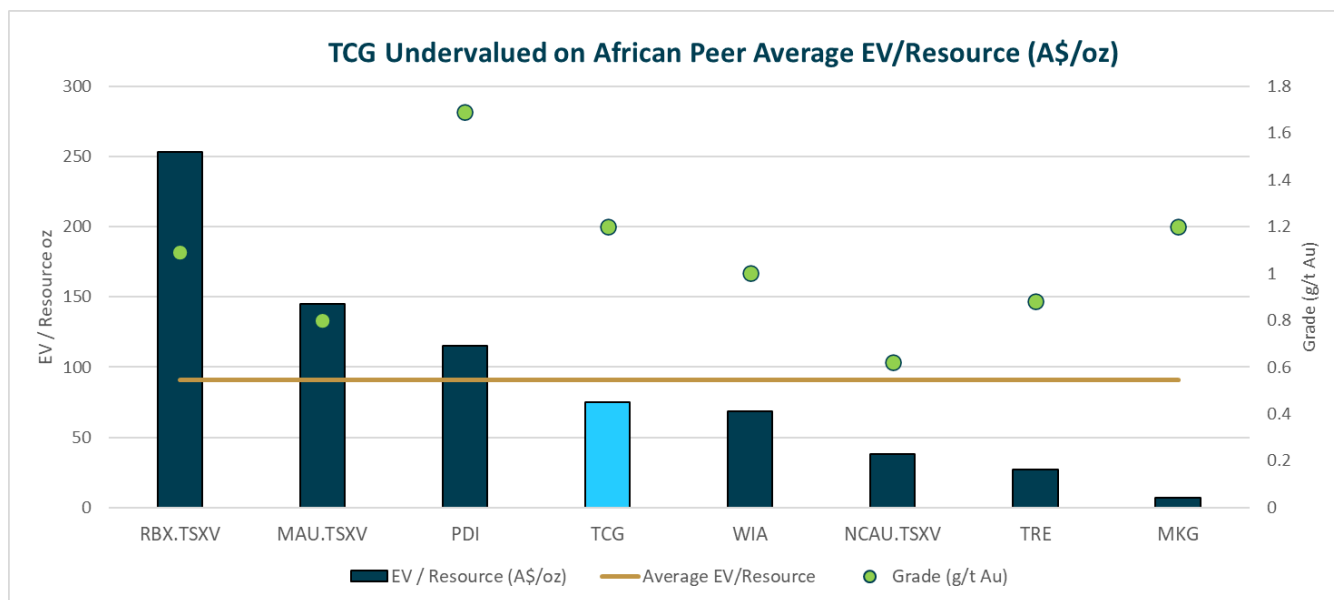
Figure 40: Recent African Gold Acquisitions

Year	Type	Seller or Acquired	Project	Location	Buyer	Status	Reserve Moz	Resource Moz	Value US\$m	Val/Reserve US\$/oz	Val/Resource US\$/oz	Date	
2014	Corporate takeover	Papillon Resources	Fekola	Mali	B2Gold	Development	0	5.2	570	0	111	Oct'2014	
2016	Corporate takeover	Amara Mining	Yaoure	Côte d'Ivoire	Perseus	Development	3.2	7.4	85	27	11	April'2016	
2016	Corporate takeover	Renaissance Minerals	Okvau	Cambodia	Emerald Resources	Development	na	1.13	53	na	47	July'2016	
2020	Project acquisition	B2 Gold	Toega	Burkina Faso	West African Resources	Development	0	1.1	45	0	41	Oct'2021	
2020	Corporate takeover	Exore	Bagoé	Côte d'Ivoire	Perseus	Development	0	0.6	44	0	74	Jun'2020	
2020	Project acquisition	Golden Star Resources	Bogoso-Prestea	Ghana	Future Global Resources	Development	0	1.8	95	0	53	July'2020	
2021	Corporate takeover	Cardinal Resources	Namdini	Ghana	Shandong Gold	Development	5.1	7.0	426	84	61	Jan'2021	
2021	Project acquisition	Endeavor Mining	Agbaou	Côte d'Ivoire	Allied Gold	Producing	0.3	0.6	80	249	144	Jan'2021	
2021	Project acquisition	B2 Gold	Kiaka	Burkina Faso	West African Resources	Development	0	6.8	110	0	16	Oct'2021	
2022	Project acquisition	IAMGOLD	Boto and others	Senegal	Managem Group	Development	1.4	4.1	282	201	69	Dec'2022	
2022	Corporate takeover	Orca Gold	Block 14	Sudan	Perseus	Development	2.9	4.0	142	49	36	May'2022	
2022	Project acquisition	Kinross	Chirano mine	Ghana	Asante Gold	Producing	0.9	1.3	225	250	173	April'2022	
2022	Corporate takeover	Golden Star Resources	Wassa	Ghana	Chifeng Jilong	Producing	1.0	10.6	470	470	44	Jan'2022	
2022	Project acquisition	Barrick/Endeavor	Mankono	Côte d'Ivoire	Montage Gold	Development	0	0.4	22	0	55	Nov'2022	
2022	Corporate takeover	Oklo Resources	Dandoko	Mali	B2 Gold	Development	0	0.7	56	0	84	Sept'2022	
2023	Corporate takeover	Chesser Resources	Diamba Sud	Senegal	Fortuna Silver	Development	0	0.9	60	0	70	May'2023	
2024	Corporate takeover	*OreCorp	Nyanzaga	Tanzania	Perseus	Development	2.6	3.3	180	69	55	Apr'2024	
2024	Corporate takeover	Tietto Minerals	Abujar	Côte d'Ivoire	Zhaojin Capital	Producing	1.4	3.8	490	350	129	May'2024	
2024	Corporate takeover	Centamin	Sukari	Egypt	AngloGold Ashanti	Producing	5.8	10.3	2,500	431	243	Sept'2024	
									Developers	US\$/oz	102	56	Ave
									Producers	US\$/oz	350	147	Ave

Source: Euroz Hartleys

### Key Peer Comps

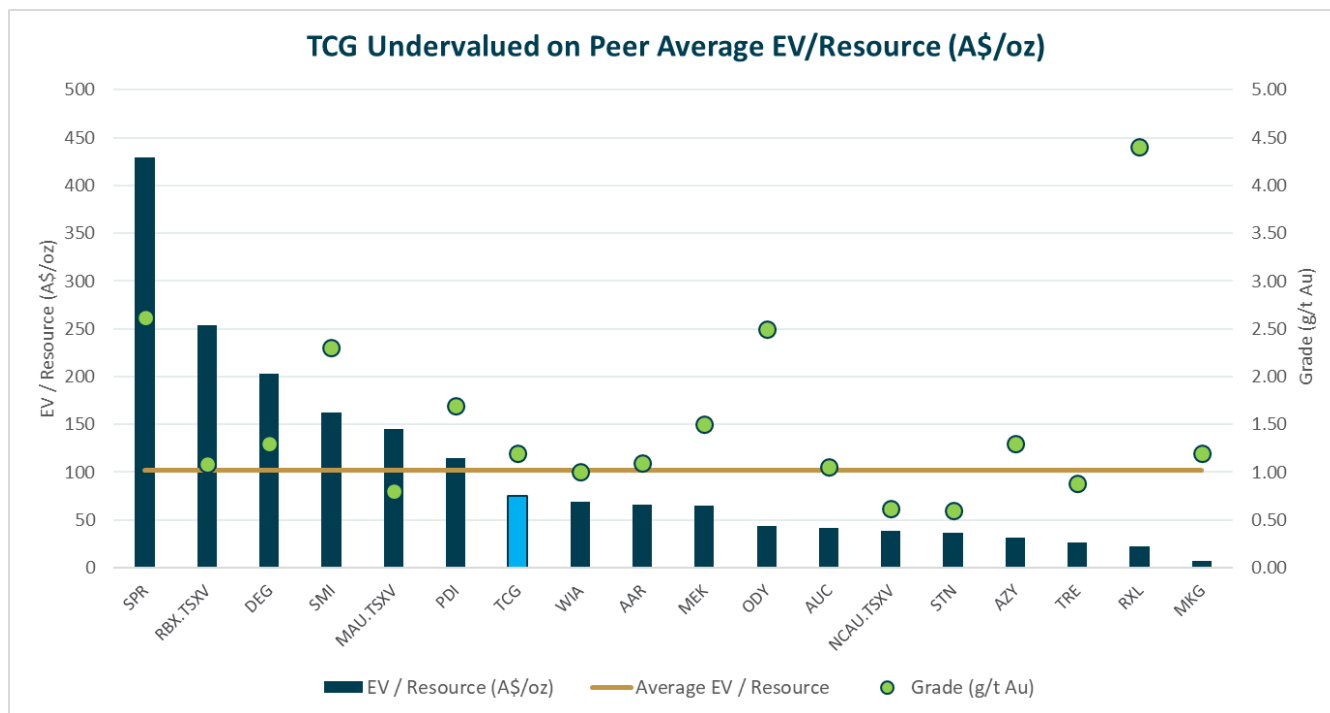
Figure 41: EV/Resource oz - African Developer Peers



Source: Euroz Hartleys



Figure 42: EV/Resource oz - Gold Developer Peers



Source: Euroz Hartleys

## Board and Management

### Justin Tremain (Managing Director)

An experienced mining executive with a strong background in founding and leading mineral exploration companies, including Exore Resources (acquired by Perseus Mining) and Renaissance Minerals (acquired by Emerald Resources). He has extensive experience in project development and corporate strategy.

### John Fitzgerald (Non-Executive Chairman)

A seasoned financier with over 30 years in resources, focusing on debt and equity finance. He has served on various mining company boards, including Northern Star Resources and was the Chair of Exore Resources.

### Alan Campbell (Non-Executive Director)

A geologist with over three decades of experience in mineral exploration and project evaluation. Alan was Managing Director at Papillon Resources (Fekola discovery) which was acquired by B2 Gold.

### Bruce Mowat (Non-Executive Director)

Has over 30 years of experience in exploration, with a focus on gold and base metals in Africa, Australia, and Asia. His expertise includes managing large-scale exploration projects and developing junior exploration companies. Bruce is currently Resolute's General Manager - Exploration.

### Rob Seed (Chief Operating Officer)

A mining professional with more than 25 years of experience, working across Australia, Africa, and Asia. He has held senior operational roles in both underground and open-pit mining and led the feasibilities on several West African gold projects (Burkina Faso, Guinea).

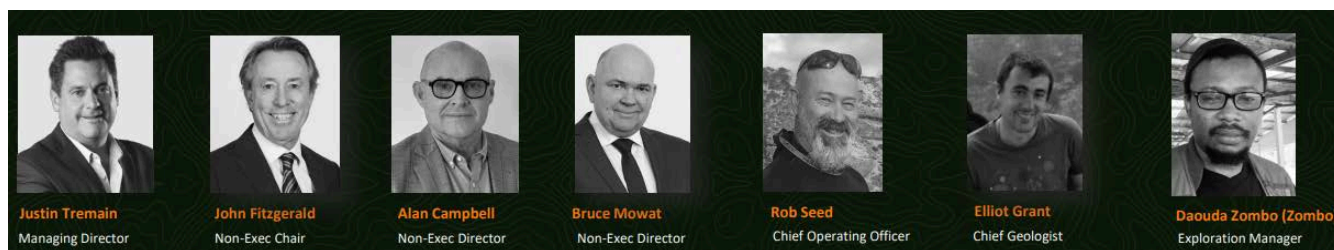
**Elliot Grant (Chief Geologist)**

Has over 15 years of experience in gold exploration in West Africa. Previously Exploration Manager at Exore Resources and prior to that Teranga Gold, and has a strong track record of discovery and resource growth.

**Daouda Zombo (Exploration Manager)**

Brings 15 years of experience in gold exploration in West Africa, including roles with major mining companies. He has expertise in managing exploration programs and building local partnerships.

**Figure 43: Turaco Board and Management Team**



Source: Turaco Gold

**Figure 44: Director Holdings**

Directors	Position	Shares (m)	%	Rights (m)
John Fitzgerald	Non-Exec Chairman	4.3	0.6%	3.0
Justin Tremain	Managing Director	12.2	1.6%	15.0
Alan Campbell	Non-Exec Director	4.4	0.6%	2.0
Bruce Mowat	Non-Exec Director	0.2	0.0%	2.0
<b>Total</b>		<b>21.1</b>	<b>2.8%</b>	<b>22.0</b>

Source: Company Reports

**Top Shareholders**

**Figure 45: TCG Top 20 - 22 March'24**

Shareholder Name	Ordinary Shares - Quoted	
	Number of shares	% of Shares
Citicorp Nominees Pty Limited	40,237,487	6.84
Yarraandoo Pty Ltd SF A/C	20,000,000	3.40
Worldpower Pty Ltd	20,000,000	3.40
Mr Yi Weng & Mrs Ning Li SF A/C	17,000,000	2.89
BNP Paribas Nominees Pty Ltd	14,855,514	2.53
Mr Philip David Reese	13,333,333	2.27
Hayes Investments Co Pty Ltd	13,016,600	2.21
Mr Yi Weng & Mrs Ning Li	12,444,444	2.12
Mr Yi Weng & Ms Ning Li SF A/C	10,690,000	1.82
Mr Phillip Richard Perry	10,490,834	1.78
HSBC Custody Nominees (Australia) Limited	10,243,438	1.74
UBS Nominees Pty Ltd	10,000,000	1.70
Palm Beach Nominees Pty Limited	9,396,536	1.60
Mr Yi Weng & Ms Ning Li SF A/C	7,987,285	1.36
Mr Justin Albert Tremain Family A/C	7,650,000	1.30
Turoc Pty Ltd	7,545,328	1.28
Alexander Holdings (WA) Pty Ltd	7,500,000	1.23
Esselmont Pty Ltd	7,222,222	1.23
Mr Jason Alexander Bond & Ms Jennifer Kate Langdon SF A/C	7,000,000	1.19
Mr Nicholas James Lambos	6,219,437	1.06
Mr Thomas James Loh	6,200,000	1.05
<b>Total</b>	<b>259,032,458</b>	<b>44.05</b>

Source: Turaco Gold

## Substantial Shareholders

Figure 46: Only 2 Substantial Shareholders (+5%) - 22 March'24

Shareholders	msh	%
Endeavour Mining	45.2	6.0%
Yi Weng	48.1	6.4%
Sprott	29.5	3.9%
Directors	21.1	2.8%
Justin Tremain	12.2	1.6%

Source: Company Reports

## Key Risks

**Exploration / development risk:** There can be no guarantees on exploration success. Past success does not guarantee future success. We take a methodological approach to our modelling to mitigate the risks around our price target assumptions.

**Reserves:** There are no reserves for this asset that meet JORC 2012 standards.

**Gold price:** Gold prices have been continually improving over the past 12 months. We maintain a conservative long-term gold price of US\$1,900/oz in our modelling, and note that TCG's future revenue streams are highly sensitive to changes in the gold price. Changes in the gold price may affect investor sentiment and the ability to finance through debt in the development phase of the Project.

**Geography:** Côte d'Ivoire currently has a relatively low risk of political unrest and a government supportive of foreign investment. The regulatory framework in mining is generally favourable, and security issues are limited and manageable. While some challenges exist, they are typical for emerging markets and do not significantly impact the country's overall investment appeal. However, there remains geopolitical risk of investing in Côte d'Ivoire (and West African countries in general) and we remind investors of this. "Risk to reward" always needs to be considered when investing.

**Financing Risk:** We have made appropriate assumptions regarding amount, costs and sources of funding in our analysis, however, these assumptions are subject to market risk and credit availability.

**Foreign Exchange Risk:** TCG operates in a foreign country and as such transactions carry some degree of translation and exchange risk.

**Our Speculative Buy rating is primarily reflective of TCG as an advanced gold explorer. Resources have been delineated, but ongoing drill success can not be guaranteed, with development studies yet to be completed. However, we consider TCG's tenure to be highly prospective and anticipate both resource extensions to existing deposits, and new discoveries. We also anticipate feasible development studies for an attractive gold operation (in the future).**



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No part of our compensation was, is or will be directly or indirectly, related to the specific recommendations or views expressed by the authoring Analyst in this research, nor has there been any adverse or undue influence on the Analyst in the preparation of this report.

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The companies and securities mentioned in this report, include:

Turaco Gold Limited (TCG.ASX) | Price 0.28 | Target price 0.58 | Recommendation Speculative Buy;

*Price, target price and rating as at 20 September 2024 (\* not covered)*

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