

# Akobo Minerals reports significant gold mineral resource increase and classification upgrade which underpins strong mine economics

Akobo Minerals (Euronext Oslo – “AKOBO”), the Scandinavian-based Ethiopian gold exploration and boutique mining company, today announced that it has released its updated Mineral Resource estimate for the Segele deposit.

The results from SRK (Australasia) Pty Ltd shows;

- significant increase of 31% in the gold ounces
- world class gold grade of 40.6 gram per ton for Indicated Mineral Resources
- improved potential for high margin gold production

The increase in ounces is derived from an increase in the tonnage and better than expected average gold grade than previously indicated in our press release of 19.04.22. At time of the previous press release the indications were that we would see a drop in average gold grade. However, after improvements to the estimation method and after the application of a higher cut-off grade to match the planned underground mining methodologies, the average grade shows a more similar average grade as seen in the previous resource estimate from April 2021.

In addition to the increase in the Mineral Resources, the classification of parts of the mineralisation has been upgraded from Inferred to Indicated, increasing the confidence in the figures. The average grade of 40.6 g/t for Indicated Mineral Resources will have a positive impact on the cash flow potential for the mine operations as this part of the resource is assumed to be possible to access in the early stages of the mine operations

The updated Mineral Resources for the Segele deposit are tabulated in Table 1, and is based upon all relevant assays related to the Segele infill and extension drill program. The Mineral Resources are reported above a 2.65g/t Au cut off.

*Table 1: Segele Deposit Mineral Resources as of 22 April 2022*

Classification	Cut off Grade <sup>1</sup> (Au g/t)	Tonnes (kt)	Au (g/t)	Gold Ounces (kOz)
Measured	2.65	0	0	0
Indicated		32	40.6	41
Inferred		62	13.6	27
<b>Total Mineral Resources</b>		<b>94</b>	<b>22.7</b>	<b>69</b>

1. The Mineral Resource cut-off grade was calculated using a gold price of USD 1,600 per ounce, costs per tonne for mining, processing, administration, and environment, social and governance (ESG) and a 5% royalty for the federal Government of Ethiopia on gold sales.

The increase in Mineral Resources is due to the results of the Segele drilling campaign completed in March 2022. A total of 99 drill holes have been added to the database, and the results returned several spectacular high-grade and bonanza intersections that are

incorporated into the present estimate. The updated Mineral Resource estimate now covers gold mineralization in a series of narrow stacked lodes that extends from surface to approx. 280m vertical depth and the Indicated Mineral Resources stretching from approx. 20m to 110m below surface.

The mineralisation covered in this Mineral Resource estimate is still open at depth and several deep boreholes have confirmed that the gold zone is continuing. It must be assumed that this can lead to new gold resources, which in turn will lead to a longer life of the mine than expected.

*Jørgen Evjen, CEO of Akobo Minerals, stated: "We are thrilled about the latest resource estimate update, and look very much forward to start the production. With the current gold price and low estimated operation costs, the cash flow from mining will support our continued exploration efforts and also make room for dividend pay-outs."*

*And further: "In addition to the significant increase in resources, the leap in understanding of the mineralisation is just as important for us. This new knowledge will make us even more capable of discovering new targets and deposits in the highly prospective Segele area that at some point will be mined."*

More results from ongoing exploration of new targets in the vicinity of the Segele deposit will be released soon in addition to an update on mining relevant contracts.

The estimates for the Segele deposit has been prepared according to the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (Joint Ore Reserve Committee - JORC-code).

### **About Akobo Minerals**

Akobo Minerals is a Scandinavian-based gold exploration and boutique mining company, currently with ongoing exploration and mine development in the Gambela region and Dima Woreda, southwest Ethiopia. The Company has established itself as the leading gold exploration company in Ethiopia through more than 12 years of on-the-ground activity.

Akobo Minerals holds a mining licence and is working to start up mining of its very promising Segele target. It has a combined Mineral Resource (Indicated and Inferred) yielding a world-class gold grade of 22.7 gr/ton, combined with an estimated all-in sustaining cost (AISC) of 243 USD per ounce. Still open to depth, the gold mineralised zone continues to expand and will have a positive impact on future resource estimates and mine-life. The exploration license holds numerous promising exploration resource-building prospects in the vicinity of Segele, in addition to the lower grade high volume area of Joru. These areas will continue to be explored.

Akobo Minerals has an excellent relationship with local communities all the way up to national authorities and it places environment, social and environment (ESG) at the heart of its activities – as demonstrated by a planned ground-breaking community program.

Akobo Minerals has built a strong local foothold based upon the principles of good ethics, transparency, and communication, and is ready to take on new opportunities and ventures as they arise. Akobo Minerals is uniquely positioned to become a major player in the future development of the very promising Ethiopian mining industry.

Akobo Minerals has a clear strategy aimed at building a portfolio of gold resources through high-impact exploration and mining, while adhering to a lean business operation. The company is headquartered in Oslo and is listed on the Euronext Growth Oslo Exchange under the ticker symbol, AKOBO.

### **Competent Person for Mineral Resources**

The information in this press release that relates to Mineral Resources is based on information compiled by Mr Michael Lowry who is a member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of SRK Consulting (Australasia) Pty Ltd. Mr Lowry has sufficient experience which is relevant to the style of mineralisation and type of deposit under

consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lowry consents to the inclusion in the report of the matters based upon his information and context in which it appears.

**For more information, contact:**

Jørgen Evjen, CEO, Akobo Minerals

Mob: (+47) 92 80 40 14

Mail: [jorgen@akobominerals.com](mailto:jorgen@akobominerals.com)

LinkedIn: [www.linkedin.com/company/akobominerals](http://www.linkedin.com/company/akobominerals)

Web: <https://akobominerals.com>

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