

Q4 2015 EXPLORATION UPDATE

Total expensed exploration and evaluation costs (including technology) during the fourth quarter 2015, inclusive of expenditure at equity accounted joint ventures, were \$42m (\$14m on Brownfield, \$5m on Technology, \$7m on Greenfield and \$16m on pre-feasibility studies), compared to \$48m for the same quarter during the previous year.

BROWNFIELDS EXPLORATION

A total of 84,492m of diamond and RC drilling was completed. Capitalised Brownfields exploration during the fourth quarter, inclusive of capital expenditure at equity accounted joint ventures, was \$12m compared to \$16m for the same quarter last year.

In **South Africa**, three deep surface drilling sites were in operation during the quarter at Mponeng (WUDLs). Drilling of MZA10, Moab Khotsong, was finished in the previous quarter. Site rehabilitation was conducted during the quarter and work on the site has now been completed and the contractor has vacated the site.

UD 59 advanced 99.1m from 3,560m to 3,659m. The drilling advance continues to be plagued by in-hole rod problems with excessive rusting accounting for the poor advances. UD60 reached a maximum depth of 3,117m before caving conditions resulted in re drilling from 2,704m. The 140m advance for the quarter puts the hole at a depth of 3,068m. UD58A had reached a depth of 2,174m. The drilling advanced 545m during the quarter. The water fissure recently sealed has re-opened and will need to be resealed.

In **Tanzania**, exploration drilling focused on Mineral Resource delineation drilling at Geita Hill Underground and Star & Comet (S&C) Deeps, infill drilling at S&C Cut 3 and S&C Underground, as well as Nyankanga Cut 7 & 8. Metallurgical drilling at Matandani pit and geotechnical drilling at S&C UG was also completed. A total of 5,679m was drilled comprising 2,523m reverse circulation (RC) and 3,156m diamond drilling (DD).

Mineral Resource delineation drilling at Geita Hill continued with the aim of delineating down-dip extensions of the Geita Hill ore body beyond the current open pit limits. Two DD holes (989m) were drilled. Based on an encouraging intersection in GHRD0061 a follow-up drillhole has been planned confirm extension of the mineralisation down-dip from this intersection.

S&C Deeps drilling commenced to delineate extensions to the S&C deposit down dip and along strike for both underground and open pit potential. A total of 3 holes were drilled 238m RC pre-collar and 675m DD tails. One hole at 158m was completed for S&C underground.

At Matandani, 566m were drilled (174m RC and 392m DD) to obtain sufficient sample mass for metallurgical testwork being completed at AMTEL lab in Canada.

Pit mapping continued at Nyankanga Cut 7, Geita Hill East and Geita Hill West. A surface mapping exercise was completed over the Mzingama-Magemma-Nyankumbu target area. A Leapfrog 3D geological model was completed for Prospect 30, based upon compilation of historical data with the recent mapping and sampling work by the exploration team. Three initial holes are planned to both confirm and extend mineralisation.

In December a seismic's workshop was held on site to review and finalise the 2D seismic survey results and interpretation and commence planning for the 2016 3D survey.

In **Guinea**, at Siguiri Gold mine, a total of 10,362m were drilled. Infill and reconnaissance drilling took place at Bidini North, Bidini South, Sintroko, Sokunu, Kami 'Starter Pit', Soloni and

Fatoya South. Fresh rock in-fill drilling was carried out at Bidini. The majority of the drilling was completed at the Bidini North pit with limited drilling in the Bidini South pit.

Reconnaissance drilling at Sintroko was completed which tested the fresh rock potential below the pit. Significant mineralisation was intersected. Reconnaissance drilling tested the mineralisation extension at depth in the fresh rock at Sokunu. The drilling confirmed the mineralisation extension in the fresh rock below the central part of Sokunu pit and further drilling is planned.

Advanced grade control drilling was completed in a test block within the Kami pit. By year-end a total of 4,230m were drilled. A small sterilisation programme was done at Soloni to test the possible continuation of the mineralisation below the pit prior to backfill. No significant gold intersections were obtained.

The Fatoya South target was drilled to check for potential NE-SW orientated mineralised extensions to the southeast of Soloni pit. A total of 1,254m were drilled. Results indicate the existence of shallow marginal mineralisation, which would most likely not be economic.

In **Ghana**, at Obuasi Gold Mine, no exploration work was conducted.

At Iduapriem, a total of 2,309m DD and 957m RC was drilled, with the majority at the Bankyem target and limited drilling at the Mile 5 and Block 4S targets.

A trenching and drilling program commenced across the Bankyem target following on the previous programme of mapping and soil geochemistry. Twelve trenches have been excavated to date and have been mapped and sampled with several positive results. A total of 2,144m DD and 687m RC was drilled and the majority of the holes intersected mineralised reef.

Following detailed mapping of the Block 4S area, three holes were planned to test the southern strike extension of the Block 4 reefs towards Block 3 West pit. One RC hole (150m) has been drilled to date. Initial drill testing of the main Mile 5 hydrothermal vein target commenced with 120m RC and 166m DD completed. Assay results have generally been disappointing.

A high resolution airborne magnetic and radiometric survey was flown in during November and December, and an airborne EM survey in December. The processing and interpretation of these datasets is ongoing.

In the **Democratic Republic of Congo** at Kibali, exploration along the KZ trend focused on priority targets: Sessenge SW, Tete Bakangwe, and Kalimva-Ikamva. Work completed included mapping, trenching, pitting and auger sampling; no DD or RC drilling was undertaken. Mineral Resource estimation was completed on a revised geological model at Megi.

Trenching was completed at Sessenge SW and a review of the results, supported by ground magnetic survey data, have defined 4 target zones. At Tete Bakangwe, trenching, lithosampling and auger results have defined at least three higher grade mineralised lenses. The target is considered to have potential to provide an additional source of relatively high grade oxide ore to add flexibility to the mine plan. Down plunge and along strike opportunities remain.

Prospect scale mapping and sampling at Kalimva within historic Belgian pits identified a NNE trending shear corridor hosting rod-shaped mineralised alteration zones plunging moderately to the NNE. Whilst some zones were previously drilled, current interpretation indicates that the drilling was not optimally oriented and exploration upside remains. Interpretation is in progress to define targets.

Resource estimation at Megi produced 6.91Mt@1.89g/t for 419,249oz within a \$1500 pit shell, of which some 52% is classified as Inferred Mineral Resource. The revised geologic model indicate mineralisation remains open down plunge to the NE, providing exploration upside.

The results from two trenches excavated at Ndala in the third quarter were received and returned only weak mineralisation. Trenching in the NW of Mengu Village confirmed continuity of the Mengu Village tabular mineralisation system and indicated potential for Mengu Hill ironstone related mineralisation at depth beneath Mengu Village.

In **Mali**, at Sadiola exploration RC drilling of 3,034m was completed at Sadiola North (1,042m) and Tabakoto (1,992m) to upgrade the oxide Mineral Resource.

Mineral Resource at FN (Sadiola North), generated targets between the Sadiola North pit and the FN extensions. Drilling appears to show a low oxide potential but confirmed the existence of low grade sulphide mineralisation along NE structures.

A total of 367m were drilled at Tabakoto to upgrade the Inferred Mineral Resource and resolve the complex geology. An additional 1,626m were completed on the northern and southern extension of the NW trending mineralisation. The drilling campaign confirmed the deep weathering and mineralisation associated with weathered carbonate. Results from the strike extension drilling indicates that there is oxide potential towards the north-west to the S12 target. The potential for significant mineralisation towards the SE is very low.

Sterilisation drilling was conducted at the proposed waste dump locations for the FN and Tabakoto pits. A total of 6,192m was completed and early indications are that the areas are suitable for waste deposition.

A total of 2,347 samples were analysed by XRF. The analyses included 1,654 RC samples from Tabakoto to assist with lithological differentiation in this deeply weathered and altered terrain. 366 RC and DD samples from the satellite pits were also analysed to characterise the sulphide intersections for geo-metallurgical purposes.

In **Argentina**, field work continued, including trenching and channel sampling, as the focus for the quarter to advance targets to a drill stage. All drilling programmes for the year were completed in September.

In **Brazil**, exploration continued at the Cuiaba, Lamego and CdS production centres for AGABM with 24,165m drilled during the quarter from the combined surface and underground drilling programmes. Geological modelling continued for near-mine target generation studies.

At Serra Grande, 5,360m were drilled as part of the Mineral Resource conversion programs. Mapping and sampling work continued for drilling target delineation.

In **Colombia**, drilling continue to test targets within the Gramalote JV tenements. The infill drilling progressed in the saprolite horizon. 1,830m were completed during the quarter.

At La Colosa, 1,760m were drilled during the quarter as the site investigation, hydrology, geotechnical, and limited Mineral Resource conversion drilling continued.

The Quebradona JV program continued with 800m drilled during the quarter. The focus remains on infill and delineation drilling for higher grade copper-gold mineralisation in the upper portion of the deposit

At Sunrise Dam in **Australia**, all exploration was focussed on Mineral Resource extension for the underground (13,430m). A total of 42 significant intercepts were returned. Drilling targeted Vogue South extensions, Cosmo North and Cosmo East extensions, Carey Shear extensions and infill and Ulu Steeps extensions and infill.

High grade results seen in Vogue South continue to extend the Vogue ore body down plunge to the south with a number of holes exhibiting visible gold in quartz carbonate veins. All assay results have been returned for Cosmo North and Cosmo East extensions, with encouraging intercepts reported in the Cosmo North extensional area. Dolly Corridor drilling, targeting down plunge extensions has returned some significant intercepts. Results from the first few holes drilled, targeting Carey Shear were returned and show very encouraging intercepts within the Carey Shear zone. Review and drill planning continues on all these target areas.

At Tropicana, drilling continued in the immediate mine environs, with diamond holes testing targets at the Tropicana Pit Extensions, Swizzler and Havana South areas. A total of 4,255m of RC and 9,093m of DD drilling were completed. Work continues to test down dip extensions to known mineralisation at the Tropicana pit, the saddle area between Tropicana Pit and the Havana Pit (Swizzler), plus down-dip at the Havana South deposit.

A seismic survey was completed over the Crouching Tiger and Havana South areas. The data collected is still being processed, with interpretation to be done post-processing to identify potential strike extensions to the Tropicana gold system.

Regional drilling was also completed with 1,199m of RC and 114.5m DD drilling at Apocalypse and Voodoo Child prospects that are north of the Tropicana Gold Mine within a 50 km radius.

GREENFIELDS EXPLORATION Q4 2015 UPDATE

During the fourth quarter of 2015, focussed Greenfields exploration activities were undertaken in Australia and Colombia. Greenfields exploration completed 2,807m of diamond and RC drilling. Total expenditure for the quarter was \$7m.

In **Colombia**, drilling continued on the Guintar project (AGA 100%) situated 40km west of Medellin. Seven holes for 2,807m were completed with a majority of results awaited. A 3D IP geophysical survey was conducted adjacent to the drilled area and indicates a strong chargeability anomaly associated with a surface epithermal geochemical anomaly. Reconnaissance work was conducted in other locations within Antioquia province.

In **Australia**, at the Tropicana JV (AGA 70%) remaining assays were returned for diamond drilling at the Madras and Masala Prospects. A 3D geological model for Madras and a revised 1:20K scale geology and domain map were generated. Responsibility for all Tropicana JV tenements (except Oak Dam) will be transferred to the Brownfields exploration team starting in 2016.

At the Strawbridge, Pindabunna, and Neds Creek Projects in Western Australia (AGA 100%) early-stage reconnaissance and field mapping was undertaken. Bedrock geological interpretations using the recently acquired aeromagnetics were created with target generation ongoing.

At the Mullion Project in New South Wales (AGA 100%), diamond drilling results from last quarters campaign returned disappointing low tenor results.

Project generation activities were undertaken in **Colombia, Australia, Brazil, USA, and Tanzania.**