Armadale Capital Plc

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Armadale Capital Plc (‘**Armadale’ or ‘the Company**’)
Further Upgrade of JORC Resource at Mpokoto Gold Project

Armadale, the AIM quoted investment company focused on natural resources projects in Africa, is pleased to announce a further significant resource increase and an upgrade in the JORC Code compliant Mineral Resource estimate (‘MRE’) classification for the Mpokoto Gold Project (‘Mpokoto’ or the ‘Project’) in the Katanga Province of the Democratic Republic of Congo. This follows the completion of stage one of an infill drilling programme carried out in July 2014. Armadale owns an 80% interest in Mpokoto.

Highlights:

- Overall Mineral Resources increased by 34% to 678,100 oz gold (‘Au’) from 506,700 oz Au in total, with 75% of the overall MRE now in Indicated category (up from 65%)
    - An overall increase of 25% in oxide portion of the Mineral Resource to 159,000 oz Au from 119,000 oz Au, and the recognition of higher grade zones in excess of 2g/tonne lying just below (<20m) the base of the already designed oxide pits
    - The shallower oxide portion of the orebody has been the focus of the current scoping study given it is nearest to surface (low strip ratio), very weathered (low treatment cost) and having the highest recovery (90%) and therefore the lowest cost to produce
    - 30% overall increase in transition portion of the resource to 125,000 oz Au from 96,200 oz Au
    - 32% overall increase in the fresh, unweathered portion of the resource to 394,000 oz Au from 299,000 oz Au

- Indicated Mineral Resources within the oxide zone increased by 138% to 3,600,000 tonnes containing 144,400 oz Au from 1,270,000 tonnes (60,600 oz Au).
- Improvement in overall grade to 1.45g/t Au from 1.42g/t Au
- Significant further upside potential:
    - The deposit remains open along strike and at depth with further room to define resources between the proposed pits
    - CSA Global Pty Ltd (‘CSA’) have defined a further exploration target of 1.4Mt to 2.0Mt at 1.2g/t to 1.5g/t Au, for the top 60m below surface in the immediate surrounding location of the current resource areas, which will be subject to the second stage of the infill drilling programme[1]
- Defined development strategy to rapidly advance the Project through to low capex, low opex

gold production in H2 2015 – a new pit optimisation process is underway in addition to an expanded and updated scoping study due to be published shortly

Justin Lewis, Director of Armadale, said, "The scope and scale of the Mpokoto Gold Project continues to grow and fuel our confidence that we will be able to deliver a low capex, low opex commercial gold mining project in the near future. It is also very gratifying to note the expansion in the shallow oxide resource, the initial focus of the group's development plan, which has now grown by more than 672 per cent since we acquired the Project.

"This significant 34 per cent increase in the Mineral Resource estimate to 678,100 oz Au considerably enhances the economics of the entire asset. Mpokoto offers highly attractive returns and near term production potential, with robust economics even at low gold prices, and we are focused on rapidly advancing this Project into production in H2 2015. The continued unlocking of the Project's resource potential represents a major step within this development, and we now remain focused on completing further value enhancing milestones. This includes the granting of a mining licence, which is in the final stages, the expansion of our current scoping study and metallurgical testwork to improve recovery rates.

"With these initiatives in mind, I expect the remainder of the year to be highly active in terms of news flow."

Summary of changes to the Mineral Resource Estimate

The table below show the changes in the Mineral Resource as a result of the latest study:

	March 2014 Resource Estimate (according to JORC 2012 Code)	**October 2014 Resource Estimate (according to JORC 2012 Code)**	Percentage Increase between March 2014 and October 2014
Inferred & Indicated Resources	506,700 oz Au	**678,100 oz Au**	33.8%
Total tonnage	11.12 million tonnes	**14.58 million tonnes**	31.1%
Grade	1.42 g/t	**1.45 g/t**	2.1%
Cut-off grade	0.5 g/t	**0.5 g/t**	-

Stage One of Reverse Circulation (RC) Drilling Programme

In July 2014 Armadale completed a 2,307m reverse circulation drilling programme over a total of 46 holes at Mpokoto, the initial results of which were recently announced. The drilling programme was designed and conducted with the aim of expanding and upgrading the current JORC resources and demonstrated that the Project's mineralisation model is robust and is proven to be open along strike and at depth in all areas tested, with significant assays including 20m @ 2.56g/t Au from 14.0m, 14m @ 2.67g/t Au from 31.0m and 4m @ 4.42g/t Au from 56.0m. The drilling campaign also identified a new zone of continuous mineralisation over a strike length of approximately 750m to an average depth of 60m down dip. These results demonstrated the excellent potential for economic exploitation of the shallow oxide mineralisation and have also supported the conversion of part of the existing exploration target to a classified resource.

The drilling specifically aimed to reduce drill hole spacing for a greater level of confidence and targeted the near-surface potential of mineralisation. Results of the first stage are incorporated in an updated Mineral Resource estimate and reported here. Overall there has been a significant increase in

the indicated portion of the MRE, which now represents 75% of the overall resource. This gives great confidence in the Mineral Resource of the Project and will underpin the Scoping Study and further economic assessment of the Mpokoto.

An initial Scoping Study was first completed in April 2014, which underpinned Mpokoto's value as a robust gold development project with attractive economic fundamentals even at a gold price of US$1,100/oz. Based on this updated Mineral Resource estimation, the Company intends to run a new pit optimisation and to review, update and expand the scoping study. Included will be a study of the practicality of production from a third pit to the south east of pits A and B. Armadale will also model the transition zone resource tonnes (at higher grade) presently lying just below the base of the oxide pits. Metallurgical testwork to improve recoveries from the fresh rock will also be undertaken (presently 70-73%). An updated scoping study will be available by the end of October 2014 and will form the basis of a pre-feasibility study and a maiden reserve for the Project.

Further Information

The MRE is based on the results obtained from 210 drill holes (20,449m), consisting of 103 reverse circulation holes ('RC') totaling 5,892m, and 107 diamond drill holes (including RC holes with diamond core tails) totaling 14,557m, and is classified as Indicated and Inferred. This is based on confidence in the geological interpretation and continuity from the results of the drilling campaign and surface mapping. The results of the updated estimate are tabulated in Table 1 below. The Mineral Resource estimates reported in March 2014 are presented in Table 2 and December 2013 are presented in Table 3 for reference.

Table 1. Mpokoto Mineral Resource, October 2014, by Weathering

Weathering	Classification	Tonnes	Au g/t	Ounces
	Measured	-	-	-
	Indicated	3,600,000	1.25	144,600
Oxide	Sub-total	-	-	-
	Inferred	440,000	1.02	14,400
	Total	**4,030,000**	**1.23**	**159,000**
	Measured	-	-	-
	Indicated	2,740,000	1.26	110,700
Transitional	Sub-total	-	-	-
	Inferred	390,000	1.14	14,300
	Total	**3,130,000**	**1.24**	**125,000**
	Measured	-	-	-
	Indicated	4,720,000	1.63	248,000
Fresh	Sub-total	-	-	-
	Inferred	2,700,000	1.69	146,100
	Total	**7,410,000**	**1.65**	**394,100**
All	**Grand Total**	**14,580,000**	**1.45**	**678,100**

Reported from blocks where AU>= 0.5 g/t. Differences in totals may result due to rounding of raw numbers.

Table 2. Mpokoto Mineral Resource, March 2014, by Weathering

Weathering	Classification	Tonnes	Au g/t	Ounces
	Measured	-	-	-

	Indicated	1,270,000	1.49	60,600
Oxide	Sub-total	1,270,000	1.49	60,600
	Inferred	1,360,000	1.11	48,900
	Total	**2,630,000**	**1.30**	**109,500**
	Measured	-	-	-
	Indicated	1,540,000	1.31	65,100
Transitional	Sub-total	1,540,000	1.31	65,100
	Inferred	910,000	1.13	33,100
	Total	**2,450,000**	**1.25**	**98,200**
	Measured	-	-	-
	Indicated	4,230,000	1.51	205,900
Fresh	Sub-total	4,230,000	1.51	205,900
	Inferred	1,800,000	1.61	93,100
	Total	**6,040,000**	**1.54**	**299,000**
All	**Grand Total**	**11,120,000**	**1.42**	**506,700**

Reported from blocks where AU>= 0.5 g/t. Differences in totals may result due to rounding of raw numbers.

Table 3. Mpokoto Mineral Resource, December 2013, by Weathering

Weathering	**Classification**	**Tonnes**	**Au g/t**	**Ounces**
	Measured	-	-	-
	Indicated	250,000	1.46	11,700
Oxide	Sub-total	250,000	1.46	11,700
	Inferred	240,000	1.17	8,900
	Total	**490,000**	**1.32**	**20,600**
	Measured	-	-	-
	Indicated	870,000	1.50	42,200
Transitional	Sub-total	870,000	1.50	42,200
	Inferred	1,120,000	1.07	38,200
	Total	**1,990,000**	**1.26**	**80,400**
	Measured	-	-	-
	Indicated	5,970,000	1.46	280,200
Fresh	Sub-total	5,970,000	1.46	280,200
	Inferred	2,750,000	1.46	129,000
	Total	**8,720,000**	**1.46**	**409,200**
All	**Grand Total**	**11,200,000**	**1.42**	**510,200**

Reported from blocks where AU>= 0.5 g/t. Differences in totals may result due to rounding of raw numbers

Current Mineral Resource Estimation (MRE)

The classified mineralisation model is based on drill spacing which was nominally on 40m sections although the resource model in places incorporates drilling section lines that are up to 100m apart. This is justified given the tabular nature of the mineralized horizons.

The deposit has been separated into four areas, defined by intensity of drilling and changes in strike of mineralisation. The classified Mineral Resource is confined to Areas 4, 3 and 2 as presented in Figure

1, with Area 1 lacking sufficient drilling to define a Mineral Resource.

To view Figure 1, which illustrates the mineralisation wireframes, drilling and AREA definition, please visit the Company's website www.armadalecapitalplc.com

Wireframe solids were generated based on geological interpretations from CSA, based upon lithological domains and a lower cut-off grade of >= 0.2g/t Au. A north-south fault has been interpreted to offset the mineralisation across strike between Areas 3 and 4. Depth extents of the mineralisation model are limited to approximately 50m down dip of the deepest drill hole intercept, unless drill holes along strike allow the interpretation to continue at depth without drill support on the current section. Strike extent of mineralisation is limited to approximately half the sectional spacing beyond the drill hole limits.

The MRE consists of 20 zones of Au mineralisation and three weathering domains (oxide, transitional and fresh). Mineralisation domains were encapsulated by means of 3D wireframed envelopes. Domains were extrapolated along strike or down plunge to half section spacing or if a barren hole cut the plunge extension before this limit. Weathering domains were re-interpreted based upon re-logging of the diamond drill core in early 2014. The oxide and transitional domains are defined as zones of variable weathering intensity as described above.

Strike extent of the mineralisation model in Area 4 is approximately 1,000m, plan width of the lenses and intervening waste zones pinches and swells between 100m and 200m, vertical depth of approximately 200m. Mineralisation generally outcrops at surface.

The combined strike extent of the mineralisation model in Area 3 is approximately 650m, plan width of the lens 20m, vertical depth ranges from 40m to 90m. Mineralisation generally outcrops at surface.

Previous mineralisation potential in Area 2 was targeted in this programme and successfully raised and incorporated into the classified resources. Five sub-parallel lenses of mineralisation with a strike length of about 350m were delineated within 60m from surface.

Grade was interpolated into the block model using ordinary kriging. Density values of 2.2t/m^3 (Oxide zone), 2.65 t/m^3 (transitional zone) and 2.73t/m^3 (fresh zone) were assigned to the block model and used to calculate tonnages as reported in Table 1 and Table 2.

Classification of the Mineral Resource estimates was carried out taking into account the geological understanding of the deposit, QAQC of the samples, density data and drill hole spacing. The Indicated Mineral Resources were based upon a higher level of confidence than the Inferred resources, whereby geological and grade continuity are assumed, but not confirmed. All available data was assessed and the competent person’s relative confidence in the data was used to assist in the classification of the Mineral Resource. The current classification assignment appropriately reflects the Competent Person’s view of the deposit.

Geology and Mineralisation

Mineralisation occurs in tabular and laterally extensive stratigraphic horizons within a sedimentary sequence which consists of gold rich coarse-grained sandstone horizons interlayered with fine to very coarse layered siliciclastic units overlying metamorphic schistose basement forming a broad south southwest and west dipping re-folded fold limb, that was targeted during several drilling programs. The modelling was constrained within wireframe solids representing the interpreted geological limits of the gold mineralised sandstone units. The mineralisation in Area 4 consists of several parallel stacked lenses that are open down dip.

About Mpokoto Gold Project

Mpokoto is located in the western part of the Katanga Province approximately 250km west of Kolwezi in the Democratic Republic of Congo, and approximately 25km from the Zambian border. The area is highly prospective, with local operators including Ivanhoe Mines and Glencore Plc. Since 1998, approximately US$20 million has been spent on gold exploration at the Project.

Competent Person Statement:

The information in this report that relates to Exploration Targets and Mineral Resources is based on information compiled by Mr David Williams, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. David Williams is employed by CSA Global Pty Ltd, an independent consulting company. Mr Williams 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". David Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Notes

[1] The potential quantity and quality mentioned in the exploration target is conceptual in nature; there has been insufficient information to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource at Mpokoto, additional to the Mineral Resource announced in this report.

A copy of the announcement can be found on the Company's website at www.armadalecapitalplc.com.

Glossary of Technical Terms

Au	Gold
3D wireframed envelopes	Computer generated files spatially constraining geological data of similar affinities.
Diamond drill	A type exploration drilling using a diamond encrusted drill bit, where a solid stick of rock is extracted from known depths.
Fresh	Depth of rock where the original mineralogy of the rock remains intact, without being affected by chemical or mechanical processes.
Gravity Separation	A process in the treatment of ore whereby heavy mineral species such as gold are separated from the lighter minerals, such as quartz, by passing the ore through one of a variety of gravity separators.
Measured	That part of a Mineral Resource for which quantity , grade, densities, shape and physical characteristics are estimated with sufficient confidence to support detailed mine planning and final evaluation of the economic viability of the deposit. A Measured classification is the highest classification level for Mineral Resource estimates.
Indicated	That part of a Mineral Resource for which quantity , grade, densities, shape and physical characteristics are estimated with sufficient confidence to support mine

	planning and the evaluation of the economic viability of the deposit. An Indicated classification is of a lower confidence level than a Measured classification.
Inferred	That part of a Mineral Resource for which quantity and grade are estimated on the basis of limited geological evidence and sampling. An Inferred classification is of a lower confidence level than an Indicated classification.
Metamorphic schistose basement	Metamorphic rocks (originally altered by high temperatures and pressures) located at the deepest know depths of geological records, of a schistose nature.
Oxide	Shallow depth of rock where the original mineralogy of the rock is extensively broken down by the action of external agencies such as water percolation and chemical leaching.
oz	Ounce
QAQC	Quality Assurance and Quality Control
Reverse circulation	A type exploration drilling using a drill bit that hammers and pulverizes the rock cutting face, and rock chips are then extracted from known depths.
siliciclastic	Sedimentary rocks built up from rock fragments from pre-existing rocks, of a siliceous (silica based) mineralogical makeup.
Strike	The direction a geological layer makes as a horizontal line at surface.
Transitional	Shallow to intermediate depth of rock (generally <150m) where the original mineralogy of the rock is broken down by the action of external agencies such as water percolation and chemical leaching. An intermediate weathering step between oxide and fresh.
Weathering	The process by which rocks are broken down and decomposed by the action of external agencies such as wind, rain, temperature changes, plants and bacteria.

****ENDS****

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More information can be found on the website www.armadalecapitalplc.com

Notes

Armadale Capital Plc is focussed on investing in and developing a portfolio of investments, targeting the natural resources sector in Africa. The Company, led by a team with operational experience and a strong track record in Africa, has a strategy of identifying high growth potential businesses where it can take an active role in their advancement.

Armadale owns an 80% interest in the Mpokoto Gold Project in the Democratic Republic of Congo. Armadale are focused on proving up the resource potential of Mpokoto with a view to commencing commercial gold production.

Armadale also holds approximately a 40% interest in Mine Restoration Investments Ltd, a South African listed company, which aims to develop profitable operations within the South African mining industry through its coal briquetting operation in KwaZulu Natal and acid mine drainage technology in the Witwatersrand basins.

In addition, Armadale has a small portfolio of listed investments which are focused on gold and copper production and exploration. The Directors continue to maintain an active acquisition strategy and will review investment opportunities that they believe have the potential to be accretive in terms of shareholder value.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These*	• The deposit was sampled using both Diamond and Reverse Circulation (RC) drill holes over four drilling campaigns. Drill holes were generally drilled 50-100m apart. A total of 107 Diamond holes and 103 RC holes were drilled

	examples should not be taken as limiting the broad meaning of sampling. • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	for a total of 20,449m (14,557m diamond; 5,892m RC). The majority of the holes were drilled towards the northeast with dips varying between -50 and -60º. • RC samples were collected at 1m by riffle splitter. Diamond core provided Netcom with high quality samples. Appropriate QAQC protocols were followed, including submission of field duplicates and insertion of commercial standards
Sampling techniques	• *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond core in ore was NQ size, sampled every 1m in the ore zone, cut into half, whereas RC samples were obtained by 1m samples from the rig. Preliminary samples from both Diamond and RC programmes were crushed and ground to obtain a representative fraction of greater than 500g. This fraction was then dried to constant mass at 105ºC. The representative fraction was ground to 90% passing 100 micron using a laboratory mill. The samples were weighed. and mixed with a 12:22 Lithium Metaborate/Lithium Tetraborate Flux containing 4% Lithium Nitrate as an oxidising agent. The flux/sample mixture was then fused at 1050ºC. All elements were determined by X-ray Fluorescence Spectrometry (XRF). LOI was determined gravimetrically in a muffle furnace at 1000ºC.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling comprises HQ sized core. Drilling involved coring to the end of hole. Hole depths range from ~0 to 454m. Core was oriented using single shot orientation tool. RC drilling comprised a nominal 5 ½ inch diameter face sampling hammer. Hole depths range from 0m to 150m.
	• *Method of recording and*	• Diamond core recovery is logged and recorded in the database. Between 10 to 20% core loss

	assessing core and chip sample recoveries and results assessed. • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	was recorded over parts of the oxide zone. RC recovery was visually assessed and considered to be acceptable within the mineralized zones. • Diamond core was reconstructed into continuous runs for orientation marking, depths being checked against the depth marked on the core blocks. RC samples were visually checked for recovery, moisture and contamination. A cyclone and splitter were used to provide a uniform sample and these were routinely cleaned. • Sample Recovery is generally very high within the ore zone. No significant bias is expected, and any potential bias is not considered material at this stage of resource development.
Drill sample recovery		
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Diamond core and RC drill chips underwent detailed logging through the entire hole (at 1m intervals for RC chips), with record kept of colour, lithology, degree of oxidation, water table etc. Diamond core was geotechnically logged for recovery and RQD. Information on structure type and orientation are recorded in the database. Diamond core and RC Chip trays have been stored in Kasenge site for future reference. • Diamond core and RC chip logging included records of lithology, oxidation state, colour, mineralisation, alteration and veining. Core was photographed in both dry and wet form.
Sub-sampling techniques and sample	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to*	• Diamond core was sawn in half. • RC samples were collected on the rig using riffle splitters. Samples were generally dry. • Samples were riffle split to obtain a representative fraction of >500g.Samples were then dried and ground to 90% passing 100 microns using laboratory mills for XRF analysis. • Field QAQC procedures included the insertion of field duplicates and commercial standards for DD and RC sampling Standards were inserted at a rate of very 19^{th} and 20^{th} sample.

preparation	*maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC field duplicates were taken from 1m cone split samples at the rig. Diamond holes were sampled at 1m intervals for raw assays samples. • Sample sizes are considered to be appropriate to accurately represent the Au mineralisation at Mpokoto based on the thickness and consistency of the intersections, the sampling methodology and the percent value assay ranges for the primary elements.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The gold analysis was done at the ALS laboratory in S.A. by fire assay which is industry standard for gold. Results provide the total contained amount of gold in the samples. • Not applicable to the project. • Field data were all recorded on hardcopies (geological logging, sampling intervals, etc.) using a set of standard Excel templates, then manually entered into Excel spreadsheets. Data were then sent to Mrs. O. Schuh for validation. Assay files were sent to Mrs. O. Schuh upon receipt from the laboratories.
Verification of sampling and	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry*	• Several different company personnel visually verified intersections in both diamond core and RC chips. • No Twinned hole was used during any of the programmes. • Field data were all recorded on hardcopies (geological logging, sampling intervals, etc.) using a set of standard Excel templates, then manually entered into Excel spreadsheets.

assaying	*procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Data were then sent to Mrs. O. Schuh for validation. Assay files were sent to Mrs. O; Schuh upon receipt from the laboratories. • No adjustments were made, other than for values below the assay detection limit which have been entered as the negative of the detection limit.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars were surveyed by differential GPS with horizontal accuracies of about 0.1m. A downhole survey point was taken every 50m by means of a single shot camera tool by the drilling contractor. • The grid system is WGS_UTM84 Zone 32 • The topographic surface has been generated from 2m topographic contours obtained during a topographic survey completed in 2013 by SD Géomatique. All collar locations have been picked up by means of differential GPS.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill holes were generally drilled 10-100m apart in the area of the classified resource. • The data spacing and distribution is sufficient to demonstrate spatial and grade continuity of the mineralised horizon to support the definition of Inferred and Indicated Mineral Resources under the 2012 JORC code. • No composite have been applied for Diamond and RC drilling.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is*	• Drilling sections are orientated Northeast - to Southwest with respect to geographic north. This orientation is perpendicular to the strike of the host-meta-sediment strata units observed at Mpokoto. The majority of the drilling is angled to the Northeast, dipping between -50 and -60º to return mineralisation intervals with thickness as true as possible. Diamond core observation confirmed the pertinence of this hole orientation. • Diamond drilling confirmed that drilling

	considered to have introduced a sampling bias, this should be assessed and reported if material.	orientation did not introduce any bias regarding the orientation of the gold mineralisation unit.
Sample security	• *The measures taken to ensure sample security.*	• Chain of Custody was managed by the various owners of the project. Samples were stored on site and delivered to the assay laboratory in Johannesburg by DHL and by transporter Palma sprl of Lubumbashi (DRC). Samples submission sheets were in place to track the progress of every batches of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Sampling techniques are consistent with industry standards. Consistency of data was validated by Mrs. O; Schuh while loading into the database (Depth from < Depth to; interval is within hole depth, check for overlapping samples or intervals, etc.). Any data which fails the database constraints and cannot be loaded is returned to field crew for validation, etc.). Global consistency was also checked later on by plotting sections using the database and reconciling assays against geology.

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	**JORC Code explanation**	**Commentary**
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The deposit is located in exploration licence PE12897. Armadale Capital Plc, through its 100% ownership of Kisenge Limited, owns an 80% interest in the Mpokoto Gold project • The tenement is in good standing with no known impediment to future grant of a mining lease
Exploration done by other	• *Acknowledgment and appraisal of exploration by other parties.*	• The tenement has been explored for Au in the past. The project was established by Cluff Mining Limited in 1998, Goldfields acquired Kisenge

parties		Limited from Cluff Mining in 2003, sold to Casa in 2007 and to Armadale Capital Plc in 2014.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Mpokoto gold mineralisation occurs in a stratified low-metamorpic siliciclastic sedimentary sequence resting on metamorphosed basement of Proterozoic age. The mineralisation occurs stratiform and occurs preferentially in coarse-sandy facies.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ◦ *easting and northing of the drill hole collar* ◦ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ◦ *dip and azimuth of the hole* ◦ *down hole length and interception depth* ◦ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• This material has been adequately reported in previous announcements.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations*	• Not reporting exploration results. • Not applicable • Not applicable

	should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Drill hole angles of between -50^0 and -60^0 toward the northeast are adequate to drill the moderately dipping to south west units. • Not reporting exploration results. • Not reporting exploration results.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to diagrams in body of text
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Not reporting exploration results.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Surface sampling and mapping were completed over different field campaigns by Cluff, Goldfields and CASA. Jigsaw Geoscience was contracted to complete detailed mapping of the project. An aeromagnetic survey of the project was completed in 2005 giving further insight over the geometry of deformed host units.
	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the*	• Metallurgical test work will be completed on recently drilled resource area. Some more DD drilling is planned in untested

Further work	*areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	areas to upgrade the resource, reduce spacing and test mineralisation extensions. • Refer to diagrams in body of text

Section 3 Estimation and Reporting of Mineral Resources
(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data used in the Mineral Resource estimate is sourced from a data base dump, provided in the form of an MS Access database. Relevant tables from the data base are exported to MS Excel format and converted to csv format for import into Datamine Studio 3 software for use in the Mineral Resource estimate. Validation protocols for the data entered to the Data Shed database are described in Section 1. • Datamine has inbuilt and operator coded drill hole validation features that test for overlapping sample intervals, differences between collar elevations and the adjacent DTM elevation, down hole survey readings with significant deviations over nominated down hole intervals. Drill holes were loaded into 3D space and visually checked for any obvious errors in survey measurements.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• • A CSA representative of the Competent Person (CP) visited site on several occasions prior to this resource estimation. The CP's representative has extensive experience in sediment-hosted and orogenic gold deposits and has a strong structural background to be able to evaluate and interpret the deposit geology and mineralisation data based on his experience. The CP's representative inspected

		geological exposure, drill sites, logging and sampling procedures and site security and general surroundings, and found all to be satisfactory and of adequate quality to support the Mineral Resource estimate.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• A geological model was constructed based upon measured and observed structural and lithological data. The Competent Person has high confidence in the geological interpretation supporting the Mineral Resource. • 46 RC holes were drilled in 2014, to complement the pre-existing 77 RC holes • 21 diamond drill holes were completed in the past two years to complement the pre-existing 63 diamond holes. • Drill hole logs, samples and assays, plus surface geological outcrop mapping form the basis of the geological interpretation. • Previous Mineral Resource estimates (x2) were based upon geological interpretations with much less underlying geological factual support. The interpretations generally used the same strike and dips for the geological models as the current Mineral Resource model. • Lithological logs of the conglomerates hosting the mineralisation controlled the widths and extents of the mineralisation envelopes. • Mineralisation occurs in tabular and laterally extensive stratigraphic horizons. A north-south fault has been observed in drill core and outcrop cutting the mineralisation along strike between Areas 3 and 4. Depth extents of the mineralisation model are limited to approximately 50m down dip of the deepest drillhole intercept, unless drill holes along strike allow the interpretation to

		continue at depth without drill support on the current section. Strike extent of mineralisation is limited to approximately half the sectional spacing beyond the drill hole limits.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Strike extent of the mineralisation model in Area 4 is approximately 1,000m, plan width of the lenses and intervening waste zones pinches and swells between 100m and 200m, vertical depth of approximately 200m. Mineralisation generally outcrops at surface. • Strike extent of the mineralisation model in Area 3 is approximately 650m, plan width of the lens 20m, vertical depth ranges from 40m to 90m. Mineralisation generally outcrops at surface. • Strike extent of the mineralisation model in Area 2 is approximately 350m, plan width of the lens 30 m, vertical depth to 200 m. Mineralisation generally outcrops at surface.
	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including*	• CAE Studio 3 (Datamine) software was used for all geological modelling, block modelling, grade interpolation, MRE classification and reporting. GeoAccess Professional and Snowden Supervisor were used for geostatistical analyses of data. The Au interpretation was based upon a lower cut-off of 0.2g/t Au and a lithological envelope (conglomerates). The MRE consists of 20 zones of Au mineralisation and two weathering domains (oxide and fresh). Mineralisation domains were encapsulated by means of 3D wireframed envelopes. Domains were extrapolated along strike or down plunge to half a section spacing or if a barren hole cut the plunge extension before this limit. • Top cuts were used to constrain

Estimation and modelling techniques	*treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	extreme grade values. A top cut was set to 20g/t. All samples in Area 2 and 4 were composited to 1m intervals, whilst drill hole data in Area 3 were composited to 2m intervals, based upon raw drill hole sample lengths. All drill hole data (RC and Diamond) were utilised in the grade interpolation. • A block model was constructed using all mineralisation domains and weathering profiles, capped by a topographical DTM. Block sizes of 20m (X) by 20m (Y) by 10m (Z) were selected based upon typical drill hole spacing (40m along strike). The model was not rotated. • Grade estimation was by Ordinary Kriging (OK) with Inverse Distance Squared (IDS) estimation concurrently run as a check estimate. A minimum of 12 and maximum of 40 samples were used in any one block estimate. A maximum of 4 composited samples per drill hole were used in any one block estimate. Cell Discretisation of 5 x 5 x 5 was used. Grade interpolation was run within the individual mineralisation domains, acting as hard boundaries. Weathering profiles were used as soft boundaries and did not control grade interpolation. • The grade model was validated by 1) creating slices of the model and comparing to drill holes on the same slice; 2) swath plots comparing average block grades with average sample grades on nominated easting, northing and RL slices; and 3) mean grades per domain for estimated blocks and flagged drill hole samples. • The current Mineral Resource was checked against the previously reported Mineral Resources and shown to be of an increased tonnage but similar grade. • No by products were modelled. • No selective mining units were assumed in this model.

		• Only Au was modelled therefore no correlation between other variables was required.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The reporting cut-off grade of 0.5g/t was selected due to it being the same cut-off used to report previous Mineral Resources.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• It is assumed the deposit, if mined, will be developed using open pit mining methods. No assumptions have been made to date regarding minimum mining widths or dilution.
Metallurgical	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the*	• Metallurgical test work since 2010 suggest the oxide mineralisation is amenable to cyanidation with good gold recoveries on CIL bottle roll tests. Recent test work has indicated heap leach as a potential processing route for achieving acceptable gold recoveries of up to 86%. • Metallurgical test work since 2010 suggest the transition zone mineralisation is amenable to cyanidation with reasonable gold recoveries on CIL bottle roll tests. Recent test work has indicated heap leach as a potential

factors or assumptions	*assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	processing route for achieving acceptable gold recoveries of up to 60%. • Sulphide mineralisation metallurgical test work has suggested that CIL gold recoveries are at 51%. It has been recommended by previous workers that a heap leach based processing flowsheet with an appropriate sulphide mineralisation pre-treatment method (such as bio-heap leach) may be a processing method. • No detailed metallurgical test work has been completed to date on the project.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No environmental baseline studies have been completed to date on this project. • The project area's topography consists of gentle hills and valleys, with elevation ranging between 900m and 1200m. Vegetation is mainly indigenous savannah, open woodland, grassland plains and minor agricultural plots. Several rivers flow through the project area. • The climate in the project's region is tropical to sub-tropical with an annual rainfall of up to 1500mm. • The topography around the Mpokoto deposit has space for potential tailings storage areas, waste disposal, heap leach pads and processing plants.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account*	• Density measurements were taken from diamond drill core, for which there are no detailed records regarding method of measurement. It is assumed the measurements were taken using conventional wet immersion techniques (weight in air, weight in water). No information available regarding any coating of core prior to immersion.

	for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Density values were added to drill hole file and statistical analyses conducted based upon weathering profiles. Density values of 2.2t/m3 (Oxide zone), 2.65 t/m3 (transitional zone) and 2.73t/m3 (fresh zone) were assigned to the block model and used to calculate tonnages.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Classification of the Mineral Resource estimates was carried out taking into account the geological understanding of the deposit, QAQC of the samples, density data and drill hole spacing. The Indicated Mineral Resources were based upon a higher level of confidence than the Inferred resources, whereby geological and grade continuity are assumed, but not confirmed. • All available data was assessed and the competent persons relative confidence in the data was used to assist in the classification of the Mineral Resource. • The current classification assignment appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• No audits or review of the Mineral Resource has been carried out to this time.
	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated*	• An inverse distance estimation algorithm was used in parallel with the ordinary Kriged interpolation, with results very similar to the Kriged results. • No other estimation method or geostatistical analysis has been performed. • The Mineral Resource is a local estimate, whereby the drill hole data was geologically domained above a nominated Au cut-off grade, resulting in fewer drill hole samples to interpolate the block model than the complete drill hole

Discussion of relative accuracy/ confidence	*confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	dataset, which would comprise a global estimate. • Relevant tonnages and grade above a nominated cut-off grade are provided in the introduction and body of this report. Tonnages were calculated by filtering all blocks above the cut-off grade and sub-setting the resultant data into bins for weathering and classification. The volumes of all the collated blocks were multiplied by the dry density value to derive the tonnages. The gold metal value (g) for each block was calculated by multiplying the Au grade (g/t) by the block tonnage. The total sum of all metal (g) for the deposit for the filtered blocks was divided by the total tonnage to derive the reportable Au grade (g/t). • No production data is available to reconcile results with.