

# Gold Mining in Zimbabwe

NEAR TERM CASHFLOW



#### Investment for Substantial Return

A small industrial scale gold mining operation in the Lower Umfuli Greenstone Belt situated in Chegutu and Lomagundi Districts of Zimbabwe would benefit from cash investment to increase mining and processing efficiencies. Expected return on investment would be within 18 -24 months with a cash flow stream for years afterwards.

#### Location in Zimbabwe



The Shangwe Project Area is situated 30km to the WNW of Chegutu, 100km SW of Harare, the capital of Zimbabwe.

Greenstone belts are host to several multi millionounce gold deposits in the country.

### Limited Production

Production is limited due to lack of state of the art mining, milling and recovery equipment. Mine planning is compromised due to lack of resource delineation.

Propose:

- > Upgrade crushing and pulverization circuit
- > Addition of a commercial grade gravity circuit Shaker Table, Knelson Concentrator
- > Add a proper leaching circuit and carbon collection
- > Add an elution circuit to recover gold in solution
- > Define Gold Ore potential with resource drilling

# Zimbabwe – a Gold Mining Country

Zimbabwe ranks within the top 10 gold producers in Africa with the latest values at 46.6 tonnes of gold produced.\*

60% of gold production is from artisanal and small-scale industrial production.

> Mining laws in Zimbabwe promote and support small-scale industrial production

≻Over 4,000 recorded gold deposits in Zimbabwe

\* World Gold Council gold production by country: https://www.gold.org/goldhub/data/gold-production-by-country

#### Zimbabwe– Proven Production

Pickstone – Peerless Open Pit near Chegutu



# Zimbabwe – Current Production Mines

- Freda Rebecca
- Blanket Mine
- Renco Mine
- Cam and Motor Mine
- Metallon
- Sabi Gold Mine
- Pickstone Peerless
- Bilboes Holdings
- Eureka Gold Mine

# Shangwe Ranch Mines

MINE	YEAR	TONNES	OUNCES	Average Grade (g/t)	REMARKS	
Boston	1930 - 1937	5915	1437	7.53	Qtz in sheared greenstone	
Mus	1925 - 1937	2756	625	7.04	Qtz in shered felsite	
Lulu	1934		1		Qtz in greenstone and epidiorite	
Guernsey	1932 - 1937	1090	707	20.12	White quartz	
Maiden Head	1935	33	7	6.51	Qtz vein in greenstone	
Fairy Queen	1935	150	15	3.10	Qtz vein in sheared felsite	
Struck Oil	1934	230	35	4.65	Qtz in felsite	
Pitana	1906 - 1937	5405	1287	7.39	Qtz in hornblende schist close to granite contact	
Florida Mine	1935	70	14	6.20	Qtz on felsite - greenstone contact	
Blue Jay	1935	60	15	7.75	Qtz in sheared greenstone schist	
Commando	1936	1210	278	7.11	Qtz in greenstone schist	
Bay Horse	1891 - 1937	34022	2068	8.65	Qtz mineralised with pyrite, pyrrhotite and chalcopyrite.	
Golden Mount	1935 - 1936	1192	164	4.26	Qtz in sheared greenstone	

- Mine grades are extremely high
- Vein system is structurally controlled.
- Current mining is rudimentary.
- Huge opportunity to develop more veins and more ounces

# Shangwe Ranch Mines



- 200+ Artisanal mining shafts located on the property
- Majority of shafts located on veins along a mineralized structure..
- Mineralized structure is over 4.0 kilometers long.
- New processing plant is located close to structure and electrical power.

### Current Processing Plant



Chilean Mill



Wet Pan Amalgamation

- Currently crushing and pulverizing ore with basic equipment.
- Using contract miners
- Amalgamating gold with cyclone and wet pan technique
- Inefficient process that may get only 50% to 60% of the gold.

### New Processing Plant



- 5.0 Tph ball mill is on site with primary and secondary crushers
- Gravity circuit to extract free gold
- Site clearing completed.
- Contract signed to build CIP plant to recover up to 85% of the leachable gold

#### New Processing Plant



- Construction of crushing circuit complete
- Commissioning this week with stockpiled ore
- Recovery of coarse gold expected in May
- CIP plant to be completed and commissioned by July

# Processing Flow Chart



- Proposed processing flow diagram for treating ore from the current mining site.
- New processing plant will initially recover ~6kg (200 oz) of gold per month based on a head grade of 3g/t Au

# Potential Tonnage and Grade

Current plan is to process up to 120 tonnes per day at an average grade of 3g/t Au. Recovery is estimated to be between 66% and 85% depending on leachability of ore. Metallurgical testing is ongoing.

Gold Resources will be determined with exploration, including geophysics, trenching and drilling.

#### Potential Cash Flow

Proposed cash flow from a 2,400 ounce per year production. All in Sustaining Costs (AISC) are predicted from 30% operating cost and NSR to government. Price per ounce is a conservative estimate below current market price.

Yearly Recoverable Ounces	Price per Ou	Ince	*Als	SC est.	Yearly Net Cash Flow
2,400	S	3,000	\$	1,000	\$ 4,800,000

\* Confirmed with preliminary study

#### Management

Jeffrey Ackert: Mr. Ackert began his career as a regional geologist with St. Joe Minerals, Bond Gold Canada and LAC Minerals in the 1980s. In 1990 he became mine geologist at LAC Minerals' Golden Patricia Mine (Barrick Gold Corp after 1994) where he specialized in production and exploration. In 1996 he was appointed VP Exploration for Orezone Resources Inc. focusing on West Africa and was subsequently named VP Technical Services in 2005. He was involved in prefeasibility studies on two gold projects in Burkina Faso during that time. Mr. Ackert holds a BSc. In Geology from the University of Toronto.

**Basha Hifato**: Mr. Hifato, a Canadian, has been involved in Africa development for over 25 years. His contacts range throughout Africa, North America and Europe. Mr. Hifato is the key contact for the company and drives the company's expansion throughout Africa.

**Tension Hlatini**: Mr. Hlatini, a Zimbabwean, has over 20 years experience in geology, mining and administration in Zimbabwe. Tension has been involved in production and exploration throughout his career. Mr. Hlatini is Project Manager on the Shangwe Ranch project and is responsible for the construction and commissioning of the new processing plant. Tension has an MBA in Strategic Management and a BSc in Geology.

Albert Ngabo: Mr. Ngabo brings over 20 years of expertise in engineering, business management, and project execution to his role as Operations Manager at Baraka Gold Mines (Pvt) Limited. His engineering acumen is rooted in his education at the Milwaukee School of Engineering, complemented by the discipline and precision he honed as a U.S. Army veteran.

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