



Awalé Resources Announces Strategic Investment and Exploration Agreement on the Odienné Project, Côte d'Ivoire

May 31, 2022 - Vancouver, BC - Awalé Resources Limited (“**Awalé**” or the “**Company**”) (TSXV: ARIC) is pleased to announce that Newmont Ventures Limited, a wholly owned subsidiary of Newmont Corporation (NYSE: NEM; TSX: NGT)(“**Newmont**”), has agreed, subject to certain closing conditions including Toronto Stock Exchange approval, to make a strategic investment in Awalé and enter into an exploration agreement with venture option (the “**Exploration Agreement**”) on the Company’s Odienné Project in northwest Côte d’Ivoire (Figure 1). The Odienné Project currently has two primary targets for world-class discoveries: i) the gold-rich Empire corridor and ii) the recently defined Sceptre Iron Oxide Copper Gold (“**IOCG**”) target, while the remaining 200 km² of granted tenure and 400 km² under application remains underexplored and has significant IOCG potential.

Link to Figures: <http://www.awaleresources.com/resources/maps/2022-05-27-Odienne-JV-Figures-Final.pdf>

Highlights:

- The terms of the transaction consist of:
 - A US\$500,000 strategic investment in the Company pursuant to a private placement; and
 - Up to US\$15 million in staged exploration funding to earn up to 75% in the Odienné Project.
- The Odienné Project has the potential to deliver “Tier One” gold and gold-copper assets from the Empire corridor and the Sceptre target area, respectively. Previous drilling by Awalé has confirmed high-grade gold mineralization along the regional-scale corridor at Empire, with initial drilling at the Charger prospect and regional soil geochemistry confirming the potential for IOCG mineralization at Sceptre and elsewhere within the Odienné Project.
- The combined Odienné East (granted) and Odienné West (application) permits comprise a total of 800 square kilometres of highly prospective but underexplored terrain in northwest Côte d’Ivoire.

Company CEO Glen Parsons commented today:

“Awalé is a team of proven and active explorers in highly prospective underexplored regions, and I am thrilled that the Odienné Project has attracted Newmont, the world’s largest gold producer.”

We have always considered Odienné has the potential to produce a Tier One asset which, based on work performed to date, is now supported by Newmont through this transaction. Our shareholders can share in the delivery of a project of this potential scale.

The setting of the Odienné Project has striking similarities to major copper-gold producing districts such as the Carajás and Olympic Dam Iron Oxide Copper Gold provinces in south America and Australia. The giant Iron Oxide Copper Gold deposits in these and other similar regions are significant contributors to global copper and gold inventories and will continue to be so in the future. We believe the Odienné province in Côte d'Ivoire can join this family.

The 5 kilometre-long Sceptre Cu-Au IOCG anomaly provides Awalé an excellent starting point and places us in a unique position to be drill testing targets that have Tier One potential. We look forward to developing the Odienné Project into a new mineralised district in west Africa with Newmont"

Key Transaction Terms

The Exploration Agreement gives Newmont the option to fund exploration activities up to a pre-feasibility phase and by funding qualifying expenditures of at least US\$15 million to earn up to a 75% interest in the Odienné Project on the following basis:

Private Placement

- Newmont will invest US\$500,000 in Awalé based on a 30-day volume-weighted average price ("VWAP") which will be used to fund Awalé's Côte d'Ivoire activities. Based on the agreed exchange rate, Newmont will receive 3,232,994 Ordinary shares in the Company at a price of \$0.197 cents per ordinary share for total proceeds of C\$636,900. Newmont will become an insider as defined, with an interest in the Company of 10.49% post issue.

Phase 1

- Newmont can earn a 51% interest in the Odienné Project by funding US\$5 million in exploration expenditures within three years of the effective date of the Exploration Agreement.
- The Odienné Project will be managed by Awalé during this time.

Phase 2

- Through funding a further US\$10 million in exploration expenditure and defining a minimum 2-million-ounce gold resource, Newmont may earn an additional 14% interest for a total of a 65% interest in the Odienné Project.
- Newmont has entered into an exclusive option agreement to purchase the minority 10% interest in the Odienné Project, which, if exercised, would increase Newmont's interest to 75%.

- Newmont has the option to elect to become project manager upon commencement of Phase 2.

Post-Phase 2

- Awalé may maintain its 25% project interest by funding its proportionate cost of a feasibility study on the Odienné Project and development of a mine.

Next Steps

Over the next 12 months the Company plans to undertake permit-wide geophysics including detailed airborne magnetic/radiometric surveys, airborne gravity gradiometry, as well as geochemical and geological mapping surveys. Further to this, local targeted programs are planned for the Sceptre prospect with trench and Diamond/RC drill programs.

Background on Odienné and the Sceptre and Charger Prospects

Based on the regional geological setting of Odienné along with the soil/termitaria data from the Sceptre prospect and the initial drill results from the adjacent Charger prospect (see Company news releases dated 22nd July 2021 and 13th Jan 2022 and figure 2), the Company interprets the geological setting of the Odienné district to be comparable to that of other significant IOCG globally. IOCG deposits are significant contributors to global copper and gold inventories, and the Company considers the Odienné Project to contain significant potential for the discovery of the first major IOCG deposit in west Africa.

Charger Target

High-grade gold mineralization in drilling hosted in sulphide bearing hematite breccias was reported from RC hole OERC-89 of 1m @ 20.3 grams/tonne (“g/t”) Au from 16m downhole, plus 3m @ 9.0 g/t Au from 30 m downhole. These intercepts are contained within a broader interval of 27m at 13.6 g/t Ag from 9 metres downhole.

ICP data from OERC-89 confirms the presence of elevated Cu, Bi, and Mo values together with high-grade gold in the sulfide-bearing hematite rich breccias, with the interval 31m to 32m returning the highest gold grades of gold (14.6 g/t Au) and copper (0.66%) identified so far. Chalcopyrite is associated with pyrite within the mineralized hydrothermal breccia. This multielement fingerprint is not common for Orogenic systems and when combined with the hematite bearing breccias and surrounding magnetite alteration point toward an IOCG model for the Odienné Project.

Sceptre Target

Infill and extension soil/termitaria sampling has enhanced and confirmed the 5 kilometer Sceptre target and has defined two distinct Cu-Au targets within this zone, now named Sceptre East and Sceptre Main

- Sceptre East (Figure 3) forms a coincident 1.5km long, >368ppm (parts per million) Cu / >20ppb (parts per billion) Au footprint with a peak value of 1,776ppm Cu and 554ppb Au.
 - Comparatively, this anomaly covers an area 4 times the size of the recently drilled Charger target, which returned 3m at 9 g/t Au and 0.4% Cu within a sulfide bearing hematite breccia (drill hole OERC-89, release dated 22nd July 2021).
The core of the Cu/Au footprint tested at Charger is a 400m long auger anomaly at >90ppb Au and > 100ppm Cu.
- Sceptre Main (Figure 3 and 4) forms a larger, NE trending 2.6km long and 1.5km wide >110ppm Cu anomaly with coincident >14 ppb Au anomalism.
 - The Sceptre Main target is known to contain a series of polymetallic veins that have returned high grade results with up to 26.7 g/t Au and 1.5% Cu in selective sampling from artisanal workings.

Background on IOCG deposits and similarities to the Odienné district.

Precambrian IOCG provinces globally (e.g., Olympic Dam- Gawler Craton, Australia and Carajás - Amazonian Craton, Brazil) are important sources of copper and gold, and are characterized by their association with iron-oxides such as hematite and magnetite. These IOCG deposits formed during brief episodes of extension that postdated accretion of Paleoproterozoic terranes onto an Archean craton nucleus (Hayward and Skirrow 2010, Porter 2010) Figures 4 and 5 depict the crustal setting of both the provinces and Figure 6 includes Odienné location and as a comparison.

These periods of extension and mineralization in the Gawler craton were characterized by bimodal volcanism and plutonism characterized by the Gawler range volcanics and the Hiltaba Suite plutons. The Olympic dam province hosts Carapateena (950Mt at 0.57% Cu, 0.25g/t Au, 2.7 g/t Ag – Oz Minerals Resources and Reserves statement June 2020) and Prominent Hill (150 Mt at 0.9% Cu, 0.75 g/t Au and 2.5 g/t Ag – Oz Minerals Resources and Reserves statement June 2021) along with the giant Olympic Dam deposit (10.1 Gt @ 0.61% Cu, 0.27 g/t Au, 1.0 g/t Ag, 0.21 kg/tonne U3O8– BHP Annual report 2021) – Olympic Dam has a current projected mine life of some 40 years and has been operating since 1988*. All Resources stated above are a ‘Total Resource’ including Measured, indicated and Inferred Resources.

The Carajás IOCG province is developed on the NE margins of Southern Amazonian Craton, although older than the Gawler has a similar setting is similar with accreted terranes, bimodal volcanism and plutonism and similar age to the Leo-Man Craton in west Africa. The deposits are located within the east-southeast trending 150 km long Itacaiúnas Shear Belt, which cuts obliquely across the bimodal, but mainly mafic to intermediate volcanism which overlies the Mesoarchaeon granitoid nucleus of the Amazonian craton (Porter 2010). Combined, all the Carajás deposit have been estimated to contain combined resources of >8 Gt @ 0.9 wt.% Cu and 0.2 g/t Au (Xavier *et al.*, 2010)*.

Awalé has now adopted an IOCG model as the setting of the Odienné Project which consists of a suite of volcanic and volcanoclastic rocks of basaltic to felsic composition that are synchronous or intruded by a series of late plutons. The Odienné Project sits on the margins of an interpreted deep seated major crustal structure where Paleoproterozoic rocks have accreted on to an Archean nucleus (Man Craton) that extends from Côte d’Ivoire westward into Guinea for over

200km. Recent studies show that a large igneous intrusive province has formed along this paleosuture zone, and this province extends through Odienné (see figure 6).

The similarities in Odienné crustal setting to the Major Olympic Dam and Carajás IOCG provinces in Australia and Brazil are convincing. The Sceptre and Sceptre East and Charger Prospects are associated with a sequence of late bimodal intrusions likely coeval undeformed bimodal volcanic rocks along with hematite breccia within magnetite altered diorite at the Charger prospect. When paired with the Cu Au and Silver (Ag) mineralization and polymetallic zonation containing pathfinder elements typically associated with IOCG systems (including bismuth, silver, molybdenum, and tungsten) all provides compelling evidence for the comparison to the major global IOCG provinces.

*References made to mines and analogous deposits provide context to the prospectivity for the Odienné Project but are not indicative that the Odienné Project host similar tonnages or grades of mineralization.

References

BHP Annual Report 2021, section 4.6 Resources and reserved pp 245, https://www.bhp.com/-/media/documents/investors/annual-reports/2021/210914_bhpannualreport2021.pdf?sc_lang=en&hash=15F0B58BC27ADFA860F0BE29B61E199D

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Quality Control and Assurance

Analytical work for auger/soil and termitaria geochemical samples is being carried out at the independent Intertek Laboratories Australia Ltd. an ISO 17025 (2017) Certified Laboratory. Samples are stored at the Company's field camps and put into sealed bags until collected by Intertek from the Company's secure Bondoukou or Odienné office and transported by Intertek to their laboratory in Tarkwa, Ghana for preparation. Samples are logged in the tracking system, weighed, dried, and pulverized to better than 85%, passing a 75-micron screen, this pulp sample is then shipped to Australia where 10-gram split is analysed by ICP/MS with an Aqua Regia digest. Blanks, duplicates, and certified reference material (standards) are being used to monitor laboratory performance during the analysis. Analytical work for drill samples is being carried out at the independent Intertek Laboratories Ghana Ltd. an ISO 17025 Certified Laboratory. Samples are stored at the Company's field camps and put into sealed bags until collected by Intertek from the Company's secure Bondoukou or Odienné office and transported by Intertek to their preparation laboratory in Yamoussoukro, Côte d'Ivoire for preparation. Samples are logged in the tracking system, weighed, dried, and pulverized to better than 85%, passing a 75-micron screen, this pulp sample is then shipped to Ghana where a 50g charge is Fire Assayed with an AAS finish. Blanks, duplicates, and certified reference material (standards) are being used to monitor laboratory performance during the analysis.

Qualified Person

The technical and scientific information contained in this news release has been reviewed and approved for release by Andrew Chubb, the Company's Qualified Person as defined by National Instrument 43-101. Mr Chubb is the Company's Chief Operating Officer and holds an Economic Geology degree, is a Member of the Australian Institute of Geoscientists (AIG) and is a Member of the Society of Economic Geologists (SEG). Mr Chubb has 18 years of experience in international minerals exploration and mining project evaluation.

ON BEHALF OF THE BOARD

AWALE RESOURCES LIMITED.

"Glen Parsons"

Glen Parsons, President and CEO

For additional information you are invited to visit the Awalé Resources Limited website at www.awaleresources.com, or contact Karen Davies, Head of Investor Relations at Tel: 604.314.6270

End

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Readers are cautioned not to place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by such information. The statements in this news release are made as of the date hereof. The

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