



Update on Acquisition of Colossal Gold in Suriname

VANCOUVER, BC, October 11, 2022 - Awalé Resources Limited ("**Awalé**") or the "**Company**" (TSXV: ARIC) is pleased to announce that, further to the Company's news release of September 13, 2022, the TSX Venture Exchange ("**TSXV**") has conditionally accepted the acquisition of Colossal Gold Resources Limited ("**Colossal**") by Awalé (the "**Acquisition**") pursuant to a letter agreement dated September 12, 2022, (the "**Agreement**") between Awalé, Colossal and the shareholders of Colossal (the "**Sellers**"). Final TSXV acceptance of the Acquisition is conditional on the Company satisfying the requirements outlined in the TSXV's conditional acceptance letter in compliance with TSXV Policy 5.3 which the Company is in the process of completing.

Colossal holds, through its wholly-owned Surinamese subsidiary, Consolidated Gold Resources N.V. ("**Consolidated Gold**"), a 100% interest in certain existing mineral exploration and exploitation licences in Suriname (the "**Licences**").

In addition to final TSXV acceptance, closing of the Acquisition remains subject to receipt of the approval of the disinterested shareholders of the Company; Awalé having completed a financing to raise a minimum of gross proceeds of CAD\$2,000,000 (the "**Financing**"); the assumption by Awalé of the Assumed Obligations (as defined below); and other closing conditions as are standard for a transaction of the nature of the Acquisition, (collectively, the "**Closing Conditions**"). Awalé has now completed its in-country due diligence review of Colossal's assets, which was a condition to closing of the Acquisition, and is satisfied with the results.

The Company will seek the approval of the disinterested shareholders of Awalé to the Acquisition and the issuance of an aggregate of 21,663,138 common shares of the Company to the Sellers in consideration of 100% of the Colossal shares, at the annual general meeting of the Awalé shareholders to be held on November 7, 2022. The management information circular relating to the meeting setting out the details of the Acquisition, will be mailed to shareholders on October 11, 2022. The Sellers in the aggregate currently hold approximately 24% of the outstanding Awalé shares. The Sellers will be excluded from voting any of those Awalé shares for the approval of the Acquisition.

Upon closing of the Acquisition, the Company will assume the following liabilities of Colossal and Consolidated Gold:

(a) the following payments owing to Dimitri Lemmer, one of the Sellers, in consideration of Colossal's acquisition of the Licences, (the "**Assumed Obligations**"):

- Payment of US\$250,000 on closing of the Acquisition or as otherwise agreed;
- Payments totaling a maximum of US\$1.75M following issuance of a technical report prepared in accordance National Instrument 43-101 – *Standards for Disclosure of Mineral Projects* establishing a mineral resource on the Project on the following basis:
 1. US\$0.50 per ounce of gold for reported accumulated ounces of up to 999,999 ounces of gold (the "**Initial Ounces**");
 2. US\$1.00 per ounce of gold for reported accumulated ounces of one million ounces or greater of gold plus an additional payment of US\$0.50 per Initial Ounce;

(b) US\$299,614 as at July 31, 2022, owing to third parties in connection with exploration expenditure being salaries, Auger drilling, assaying, logistics and related expenditure; and

(c) other monthly operating expenses from August 1, 2022 accruing and amounting to no greater than US\$14,450 per month until closing.

As at the date of hereof, the pricing and terms of the Financing have not yet been determined. Other than Thierry Dalais, a Seller under the Agreement, who will become an insider of Awalé after closing of the Acquisition as he will then hold approximately 10.69% of the Awalé outstanding shares, no other insiders of the Company will be participating in the Financing. Although the Financing is a condition to closing the Acquisition, which may be waived, closing of the Financing is not contingent or conditional on completion of the Acquisition.

Under the terms of the Agreement, any party could terminate the Agreement if any of the Closing Conditions for the benefit of the terminating party was not satisfied or waived by October 15, 2022 (the "Outside Date"), unless such date was extended by mutual written consent of Awalé and Colossal. Awalé and Colossal have agreed to extend the Outside Date to November 30, 2022.

About Awalé Resources

Awalé is an exploration company focused on the discovery of large high-grade gold and copper-gold deposits. The Company currently undertakes exploration activities in the underexplored parts of Côte d'Ivoire. Awalé's success to date at the Odienné Project in the Northwest of Côte d'Ivoire has culminated in a fully funded earn-in Joint Venture with Newmont (the "Newmont JV") covering the Odienné Project where two primary targets for world-class discoveries have been made: i) the gold-rich Empire corridor and ii) the recently defined Charger, Sceptre and now Lando Iron Oxide Copper Gold ("IOCG") targets. Parts of the remaining 200km² of granted tenure and 400km² under application remains underexplored and offers significant IOCG potential. The Newmont JV forms the solid foundation for the Company to continue looking at new opportunities in new jurisdictions which offers significant potential for district scale discoveries. Awalé is currently in the process of completing the acquisition of Colossal Gold Resources, a private company with a highly prospective gold exploration portfolio in Suriname, which provides an excellent strategic fit and future growth potential for Awalé.

ON BEHALF OF THE BOARD

AWALE RESOURCES LIMITED

"Derk Hartman" – Independent Director and Chairman of the Special Committee

Derk Hartman, Director

For additional information, you can visit the Awalé Resources Limited website at www.awaleresources.com, or contact Karen Davies, Head of Investor Relations at Tel: +1.604.314.6270

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 Company undertakes no obligation to update forward-looking information except as required by applicable law.

Cautionary Statement

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE