

Developing the Kalana Main deposit into a high-grade, low cost, open pit mine

Investor Presentation
November 2015



Avnel Gold
MINING LIMITED

TSX: AVK

Cautionary Notes

Forward Looking Statements:

This presentation contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities legislation, concerning the business, operations and financial performance and condition of the Company. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may constitute forward-looking statements. Forward-looking statements contained in this presentation include statements with respect to: expectations regarding the potential mineralization and geological merits of the Company's projects, including the Kalana Project and the Fougadian Project; the Company's goals regarding development of the Kalana Project and regarding raising capital and conducting further exploration and development of its projects; the Company's proposed plans for advancing its projects, including drilling and other exploration work; expectations regarding the continuity of mineral deposits, including in relation to adjacent or other properties (including producing or past-producing properties) that are in the vicinity or same region as the Company's projects; expectations regarding any environmental issues that may affect planned or future exploitation and exploration programs; mineral exploitation and exploration program cost estimates; statements with respect to the future price of gold and other metals; timing and completion of geological studies and reports; receipt and timing of the Kalana Project exploitation permits and other third party approvals; and government regulation of mineral exploration and development operations in Mali. Estimates of mineral resources and mineral reserves may also constitute forward-looking statements and information in that they represent estimates of mineralization that may be encountered if mining is commenced, and/or economic viability of such mineralization.

Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements or forward-looking information, including but not limited to: (i) political developments in Mali, whether generally or in respect of the mining industry specifically, which may not be consistent with the Company's current expectations, (ii) the Company's expectations in connection with the projects, exploration programs and development plans discussed herein being met, (iii) the ability to develop the Kalana Project on a basis consistent with the Company's current expectations, (iv) changes in project parameters as the Kalana Project continues to be advanced, (v) changes in project development, construction, production and commissioning time frames, (vi) the possibility of project cost overruns or unanticipated costs and expenses, (vii) unanticipated results of future studies, (viii) costs and timing of the development of new deposits, (ix) success of exploration and drilling activities, (x) risks and uncertainties relating to the interpretation of drill results and other exploration data, and the geology, grade and continuity of mineral deposits, (xi) the possibility that future exploration results will not be consistent with the Company's expectations, (xii) risks related to metallurgical characteristics of mineralization contained within the Company's properties which may not be fully determined, (xiii) potential delays in completion of geological reports (including preliminary economic assessments, pre-feasibility and feasibility studies), or that the contents of geological reports will not be consistent with the Company's expectations, (xiv) permitting time lines, (xv) government regulation and the risk of government expropriation or nationalization of mining operations, (xvi) unanticipated environmental risks, (xvii) the continued employment of key employees, and (xviii) the factors discussed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" in the Company's annual information form which is available under the Company's profile on the SEDAR website at www.sedar.com.

These forward-looking statements are based on certain assumptions which the Company believes are reasonable, including that: all necessary government and third party permits, approvals and licenses necessary for the planned exploration and development of the Company's mineral projects will be obtained in a timely manner and on terms acceptable to the Company; key management and directors will continue to be retained by the Company; any proposed future development of the Company's mineral projects will be viable operationally and economically and proceed as expected; and the other assumptions listed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" in the Company's annual information form which is available under the Company's profile on the SEDAR website at www.sedar.com. Assumptions relating to the potential mineralization on the Company's Kalana Project are discussed in the most recent technical reports in respect thereof which are available under the Company's profile on the SEDAR website at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update any of the forward-looking statements or forward-looking information in this presentation, except as required by applicable law.

Disclosure of Mineral Reserves and Mineral Resources:

Information concerning the properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws. National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") of the Canadian Securities Administrators requires that each category of mineral reserves and mineral resources be reported separately. Please refer to the Company's annual information form and other continuous disclosure documents available at www.sedar.com, for this detailed information, which is subject to the qualifications and notes set forth therein.

Qualified Person:

Information in this presentation regarding the Kalana Gold Project and exploration activities is provided by Avnel management under the supervision of Dr. Olivier Féménias, Vice-President Geology and Mr. Roy Meade, President, whom are all non-independent "Qualified Persons" as such term is defined in National Instrument 43-101. Portions of the information are based on assumptions, qualifications and procedures which may not be fully described herein.

Cautionary Note to U.S. Readers Concerning Mineral Reserve and Resource Estimates: This presentation uses the terms "Mineral Resource", "Inferred Mineral Resource", and "Probable Mineral Reserves", Canadian mining terms as defined in accordance with NI 43-101 under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council. While the use of such terms is recognized and required by Canadian regulators, the United States Securities and Exchange Commission does not recognize such terms. For further information, refer to the Company's website at www.avnelgold.com.

All dollar amounts are in US dollars, unless otherwise indicated. References to "\$C" are to Canadian dollars.

Investment Summary

High Grade Open Pit Deposits are Scarce

- 2.8 million oz open pit Measured + Indicated resource
- Diluted grade of 2.85 g/t diluted
- Large portfolio of nearby exploration targets and prospects

Robust PEA Results at \$1,110/oz Au

- Low pre-production capex of \$147 million
- On-site AISC of \$610/oz over a 14-year LOM
- After-tax NPV_{10%} of \$206 million & IRR of 59%

1.5 Million oz Added Since the PEA

- PEA Mine Plan based upon 1.58 million contained ounces
- 1.5+ million ounces of Measured + Indicated added since PEA
- New resource creates optimisation opportunities for DFS

DFS & ESIA in Q1 2016

- DFS scheduled for completion in Q1 2016
- Approval of ESIA for the new open mine expected in Q1 2016
- Project financing discussions initiated

Capital Structure and Shareholders

The Kalana Main DFS and ESIA are funded for delivery by the end of Q1 2016

Shares Outstanding¹	304,330,124	More than 65% Institutionally Owned Elliott Management Gold2000 (Julius Baer) Earth Resource Quantex Picton Mahoney Millennium
Stock Option Plans	8,305,000	
Warrants	96,257,176	
Fully Diluted	408,892,300	
Recent Share Price	C\$0.25	
Market Capitalization	C\$76 million	
Cash & Equivalents²	US\$9 million	High Management Ownership⁴ 11.8%
Working Capital	US\$11 million	
Debt	None	

1 - As at 30 September 2015.

2 - Unaudited management estimate as at 30 September 2015 (US\$9.175 million).

3 - Unaudited management estimate as at 30 September 2015 (US\$10.953 million).

4 - Includes Senior Officers, Board of Directors, and the Fern Trust. The Fern Trust is a family trust of Avnel's Chairman and CEO, Mr. Howard Miller.

An Experienced Management Team

Avnel has been operating in Mali for more than a decade

Howard Miller

Chairman & CEO

- Raised more than \$600 million to finance the development or restart of 10 mines in Africa, Central Asia, and Canada over the past 35 years

Dr. Olivier Féménias

VP Geology

- Lead IAMGOLD's \$32.5 million exploration program at Kalana

Jeremy Link

VP Corporate Development

- More than 10 years experience in exploration, mining, and capital markets

Roy Meade

President

- 35 years experience managing mines, construction projects, and feasibility studies in Africa, Central Asia, and Canada for junior and senior companies

Alan McFarlane

Chief Financial Officer

- 20 years experience in natural resources, principally gold

Board of Directors

- John Kearney
- Keith McCandlish
- Andrew King
- Jonas Rydell
- Ibrahim Kantao
- Anthony Bousefield
- Howard Miller

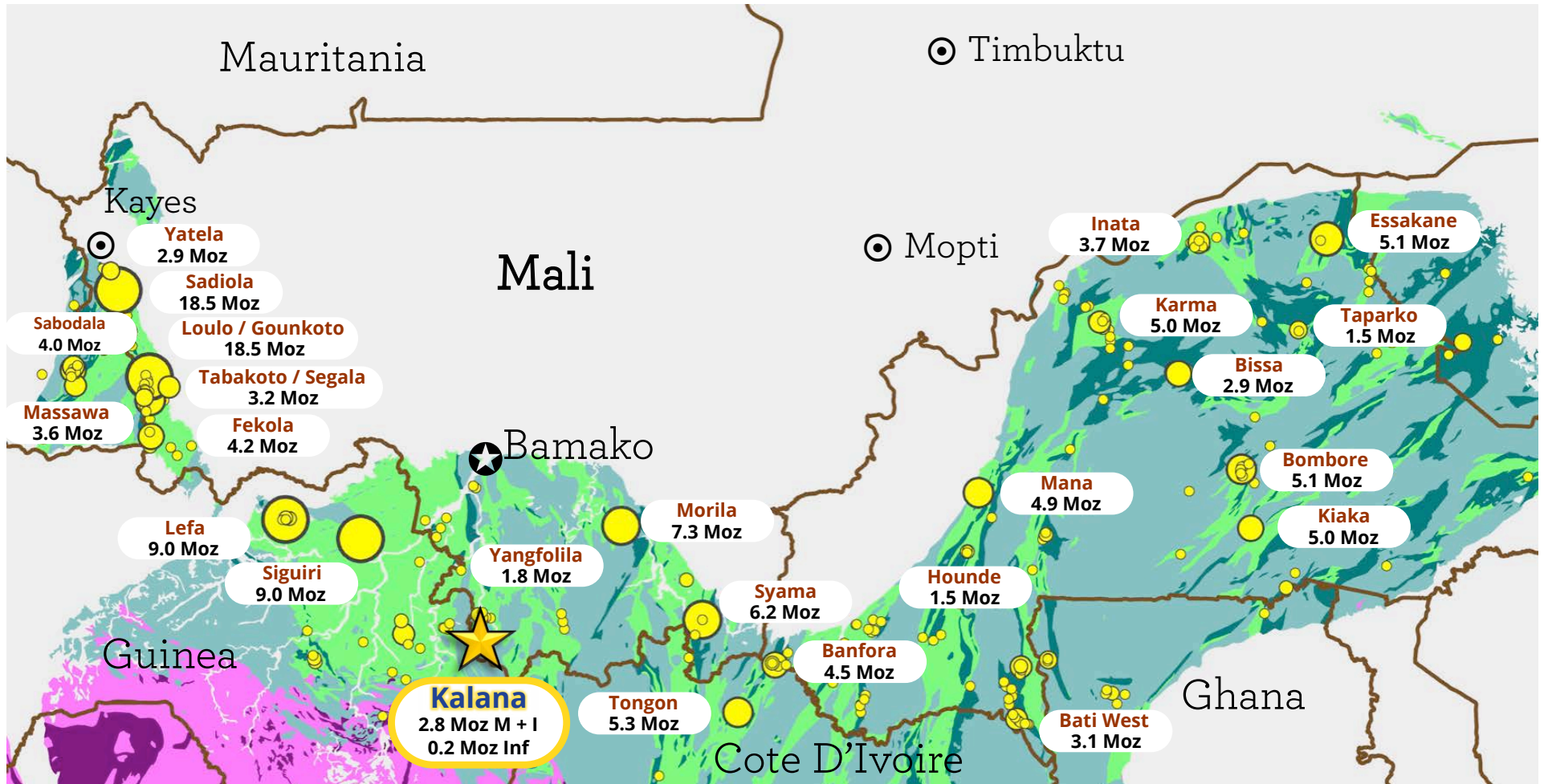
Mali is an Established Gold Mining Country

Mali is Africa's third largest gold producing nation

- **Established Modern Mining Code**
 - 2003 Foundation Agreement
- **Key infrastructure in place**
 - 250 road-km south of Bamako
 - Abundant water supply
 - Modern telecommunications
 - Established mine and exploration camp
- **Strong community relationship**
 - Largest employer in the region
 - 4 community medical clinics
 - 11 classrooms
- **Great government support for the project**
 - 20% free-carry equity interest in JV company
 - Regional economic benefits



Kalana is in the Prolific Birimian Gold Belt¹



Kalana Project



Gold Deposit



Capital City



Major Centre

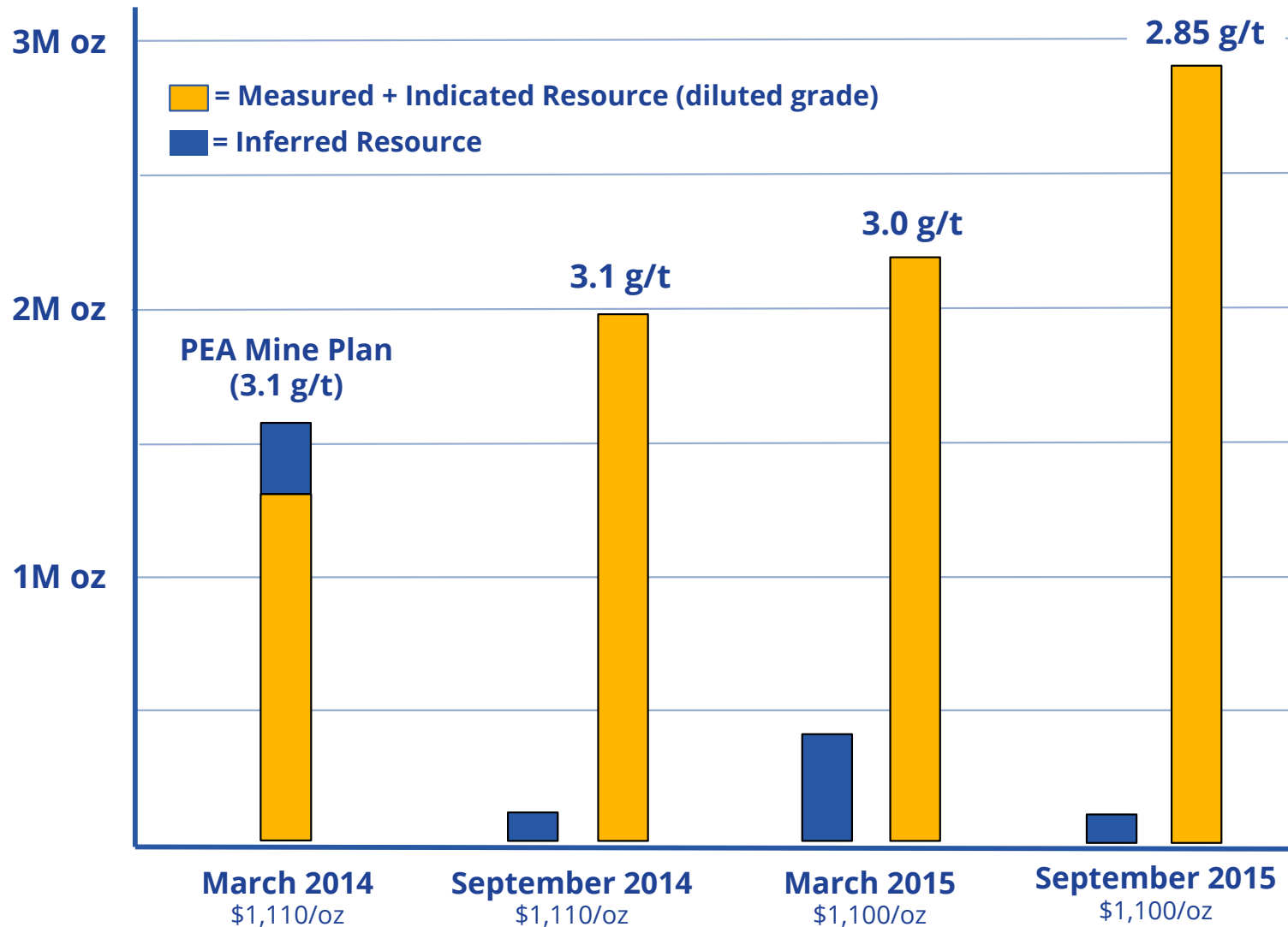
300km



¹ - Unaudited estimates based upon total resources and reported depletion from company reports and industry publications

Increasing Diluted Open Pit Mineral Resources

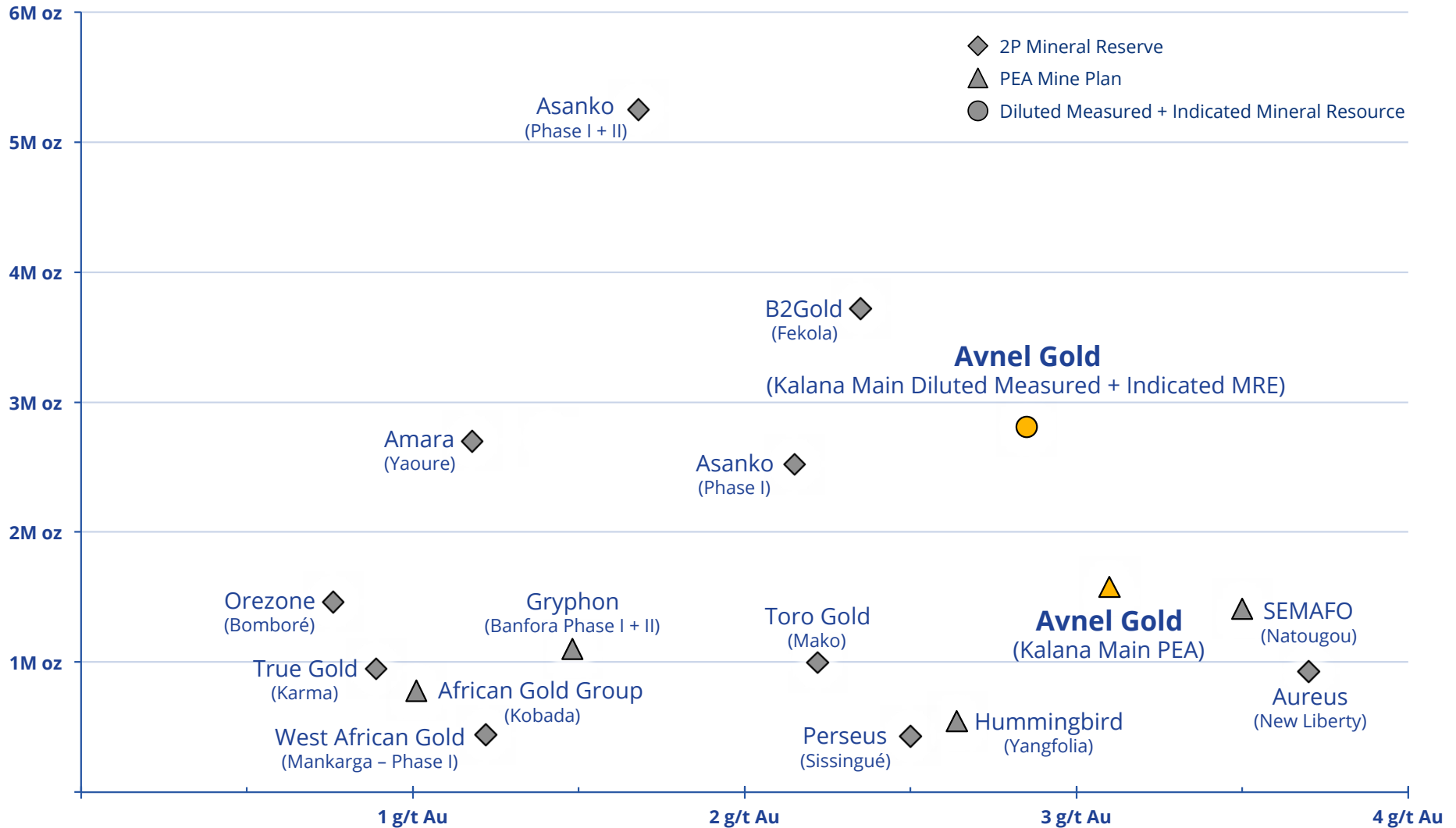
Measured + Indicated resources have increased by more than 1.5 million ounces since the PEA



Mineral Resources are reported on a total project basis at 100%. Avnel owns an 80% equity interest in SOMIKA, the Malian company that holds the Kalana Exploitation Permit. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. All Mineral Resources are reported above a diluted cut-off grade of 0.9 g/t Au. For additional information, please see Avnel's AIF for the year ended 2014 and its news release dated 5 October 2015.

Diluted Grade versus Pit Constrained Ounces

The Kalana Main deposit stands out amongst West African open pit development projects

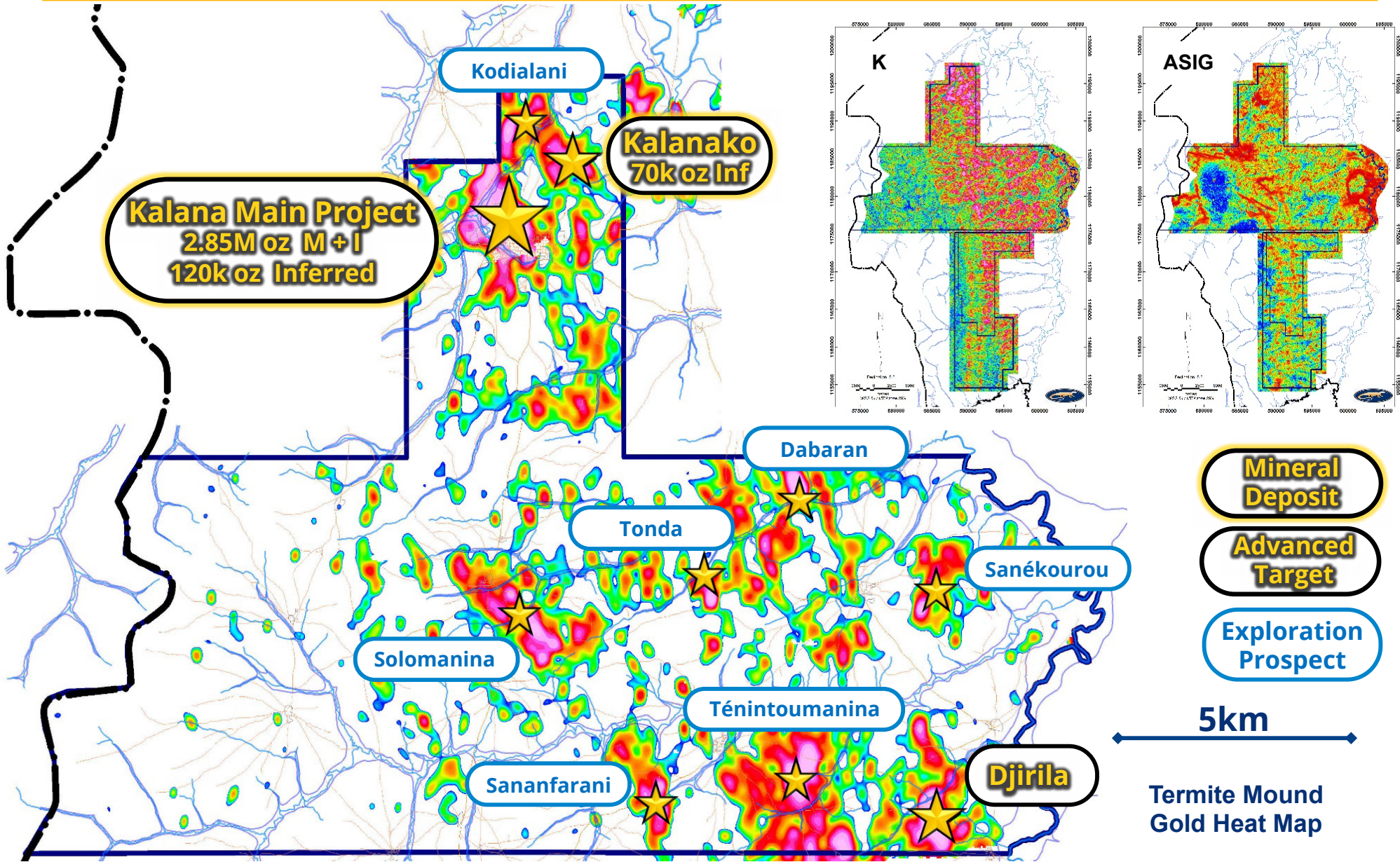


PEAs are preliminary in nature and include inferred resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The Kalana Exploitation Permit is Unique

- **Exploitation Permit Awarded to Avnel in 2003**
 - Initial 30-year term under the 1999 Mining Code
 - Covers a large area of 387 km² (150 square miles)
 - Originally granted to a Soviet Union aided state company in 1984
- **Low permitting hurdles for new mines**
 - Only significant approval required to develop new mines is an ESIA
 - Kalana Main open pit mine ESIA to be submitted for review in Q4 2015
 - ESIA approval expected by the end of Q1 2016
- **Significant tax incentives for new mines**
 - 3-year tax holiday and tax exemptions
 - Rolling exonerations of exploration and development expenditures
- **Existing Soviet-era underground mine**
 - Invaluable exploration tool
 - Helps maintain socioeconomic stability in the community

The Kalana Exploitation Permit (387 km²)

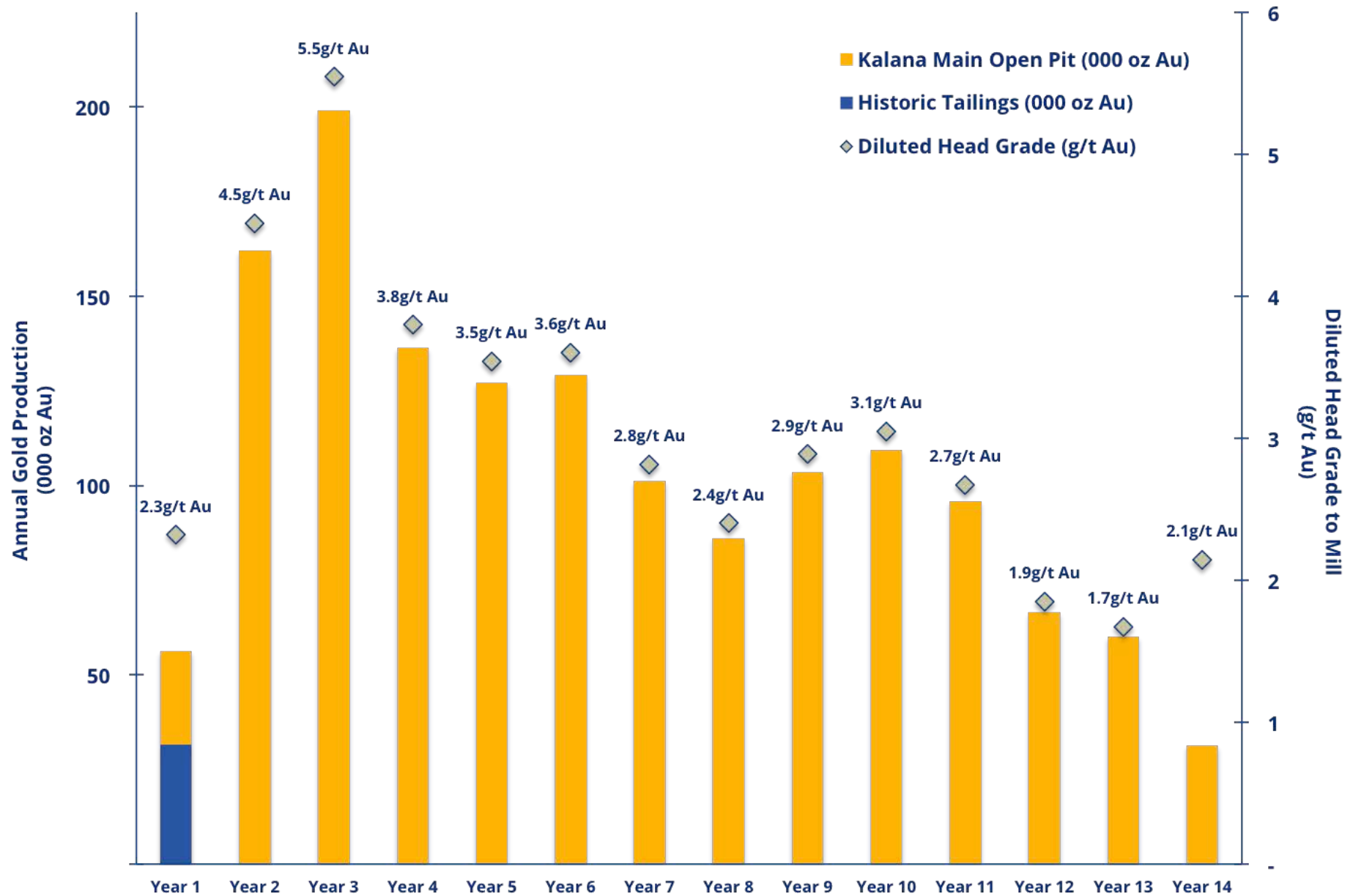


Kalana Main PEA Highlights¹ (March 2014)

- **15.8 million tonnes treated at a diluted grade of 3.1 g/t Au to the mill**
 - PEA Mine Plan of 1.58 million contained ounces
 - Current M+I mineral resources of 2.85 million ounces at 2.8 g/t diluted
- **Contract mining**
 - Selective open pit mining operation
 - 8.5:1 waste-to-ore ratio (8.1:1 excluding pre-strip)
- **A small and simple operation**
 - 3,000 tonnes per day mining and milling operation (1.2Mtpa)
- **Simple metallurgy and high recoveries**
 - 93% average LOM recovery in PEA with gravity + conventional CIL at 75 µm
 - Optimisation studies nearing completion
- **14-year mine life**
 - Total production of 1.46 million ounces
 - Average annual production of 135,000 ounces during the first 6 years
 - Peak production of 200,000 ounces in Year 3

1 – The Preliminary Economic Assessment (“PEA”) is preliminary in nature, includes inferred resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Avnel Gold has an 80% equity interest in SOMIKA, the holding company that holds the Kalana Exploitation Permit.

Kalana Main PEA Production Forecast (100%)



Kalana Main PEA Highlights^{1,2} (March 2014)

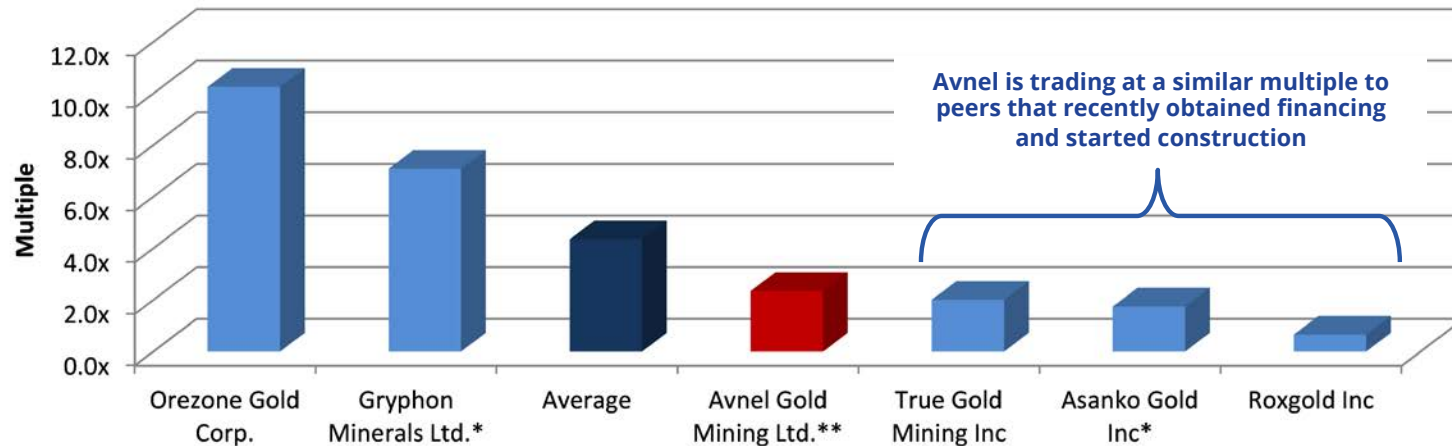
- **Initial capital cost of \$147 million**
 - Low initial capital intensity of \$100 per ounce of production
 - Less than a two-year after-tax payback period at \$1,110/oz
 - Financeable for a junior company
- **Total Cash Costs of \$589/oz over LOM**
 - Total Cash Costs of \$483 per ounce over first 6 years
 - Includes 3% government royalty
 - A low-cost producer
- **Sustaining capital of \$21/oz over LOM**
 - \$31 million over the LOM
 - Contract mining operation
- **On-site AISC of \$610/oz over LOM**

1 – The PEA is preliminary in nature, includes Inferred Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. A description of the basis of the PEA along with relevant qualifications and assumptions of the QPs may be found in the 31 March 2014 PEA NI 43-101 Technical Report.

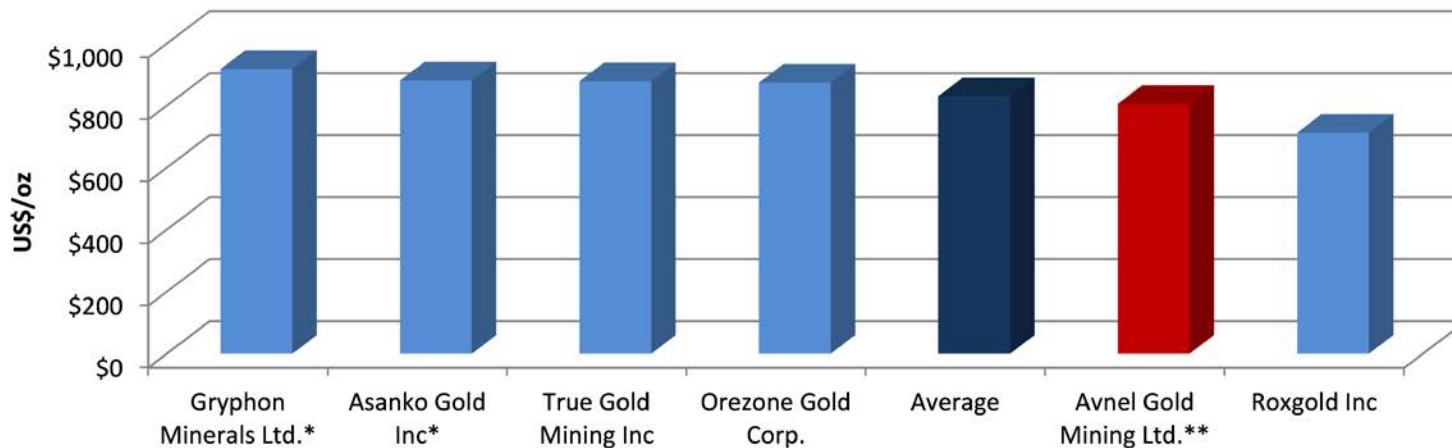
2 – Highlights are reported on a 100% project basis utilizing a gold price of \$1,110 per ounce and exclude 8% imputed interest on all pre-production capital expenses as reported in the PEA. All unit costs are expressed as the average over the life of mine, unless stated otherwise. Capital and operating cost performance measures are defined and reconciled in the appendix. Avnel Gold has an 80% equity interest in SOMIKA, the holding company that holds the Kalana Exploitation Permit.

“Finance-ability” and Cost of Production

Initial Capex / Market Capitalisation



(AISC*** + Initial Capex) / Recovered Ounces



Source: Mackie Research Capital Corporation (29 July 2015). *Includes Phase I&II/ **MRCC estimates. ***AISC includes Total Cash Costs + Sustaining Capex.

Project After-Tax NPV and IRR^{1,2}

NPV in millions of dollars

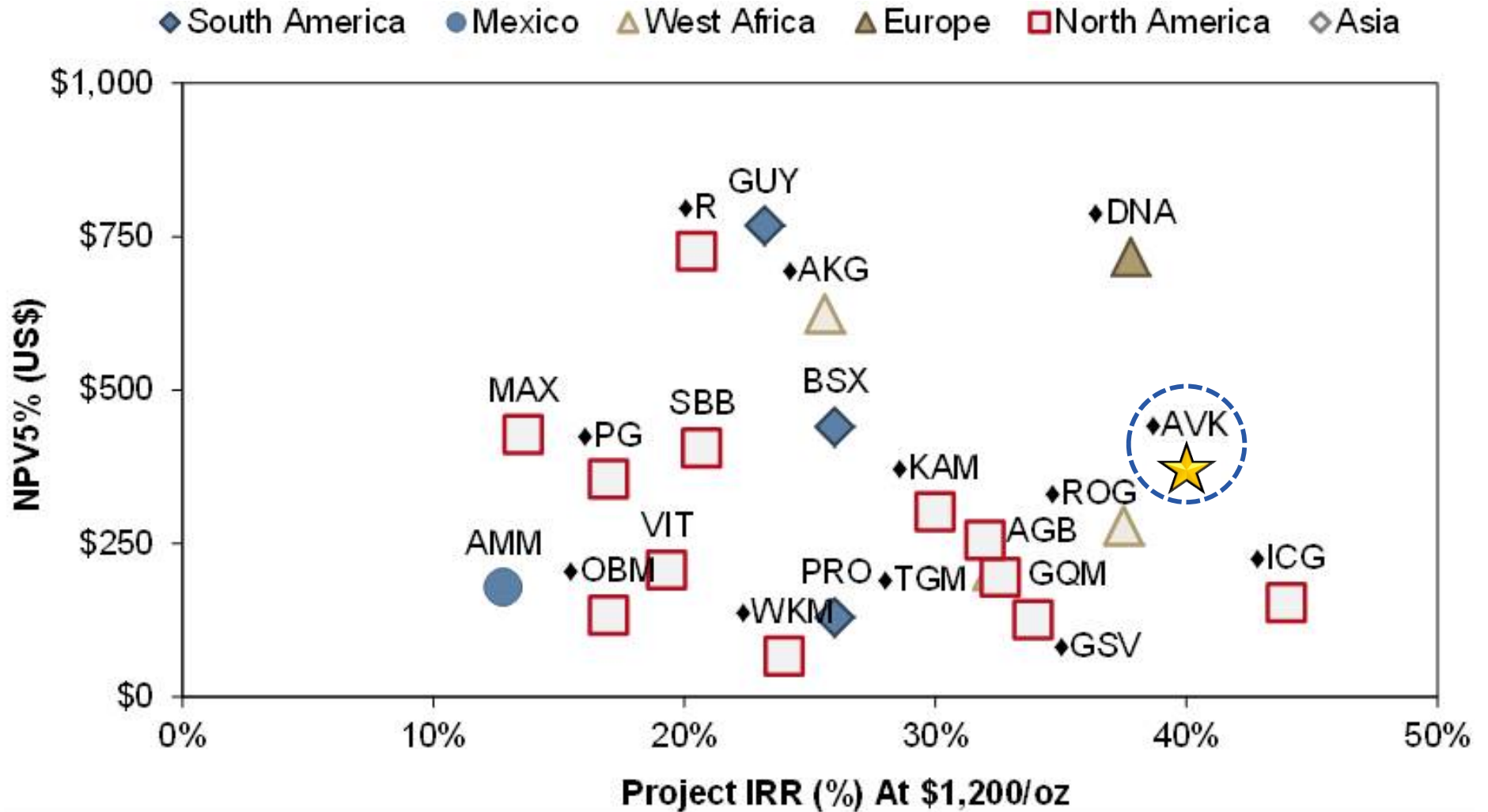
Discount Rate	Gold Price (\$/oz)						
	\$800	\$900	\$1,000	\$1,110	\$1,200	\$1,300	\$1,400
0%	\$85	\$191	\$297	\$415	\$510	\$617	\$723
5%	\$49	\$126	\$204	\$289	\$358	\$435	\$512
10%	\$25	\$83	\$142	\$206	\$258	\$317	\$375
IRR	18%	33%	46%	59%	70%	81%	92%

1 – Based upon the 31 March 2014 Preliminary Economic Assessment 43-101 Technical Report and unlevered cash flow model prepared by Snowden. The after-tax NPV and IRR presented in this table are from the commencement of construction on a 100% project basis that expenses all initial and sustaining capital in the year incurred and excludes the 8% imputed interest on all pre-production expenditures considered in the PEA. Avnel Gold owns an 80% equity interest in SOMIKA, the Malian company that holds the Kalana Exploitation Permit. The State of Mali has a 20% free-carried equity interest in SOMIKA. The above table excludes management fees of 0.75% of gross revenue, 2.5% of the mine's earnings before interest and taxes, and 4.0% of all capital expenditures that Avnel is entitled to as the operator.

2 – The PEA is preliminary in nature, includes Inferred Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. A description of the basis of the PEA along with relevant qualifications and assumptions of the QPs may be found in the 31 March 2014 PEA NI 43-101 Technical Report.

How Does Kalana Main Stack Up?

Kalana Main ranks favorably to other projects using a consistent gold price and discount rate



Source: Cormark Securities Inc. estimates as at 10 September 2015.

Optimisation Opportunities for DFS

- **Financial optimisation**

- 3-year tax holiday in the PEA is by calendar year, not operational year
- Inclusion of operator fees to be earned by Avnel
- Recovery of certain sunk project costs

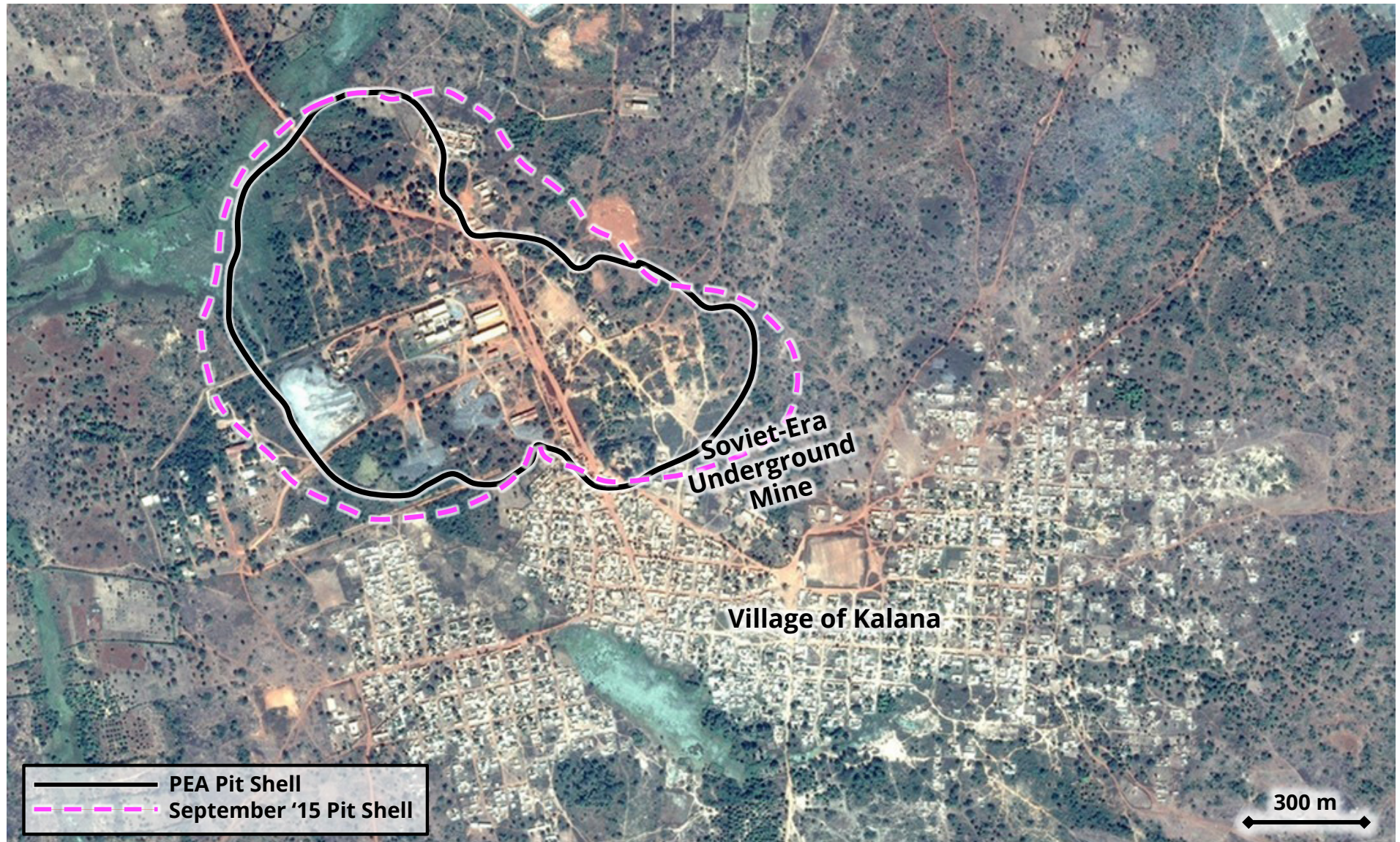
- **Larger open pit resource at Kalana Main since PEA**

- Diluted M+I mineral resource of 2.8 million ounces
- 1.5+ million ounces of diluted M+I mineral resource added since PEA
- Potential to smooth out annual production profile in later years

- **Larger mining scenario**

- Brings production forward and shortens mine life
- Potential to increase NPV and IRR, but likely to increase capex depending upon the scenario

September 2015 MRE Pit Shell Layout

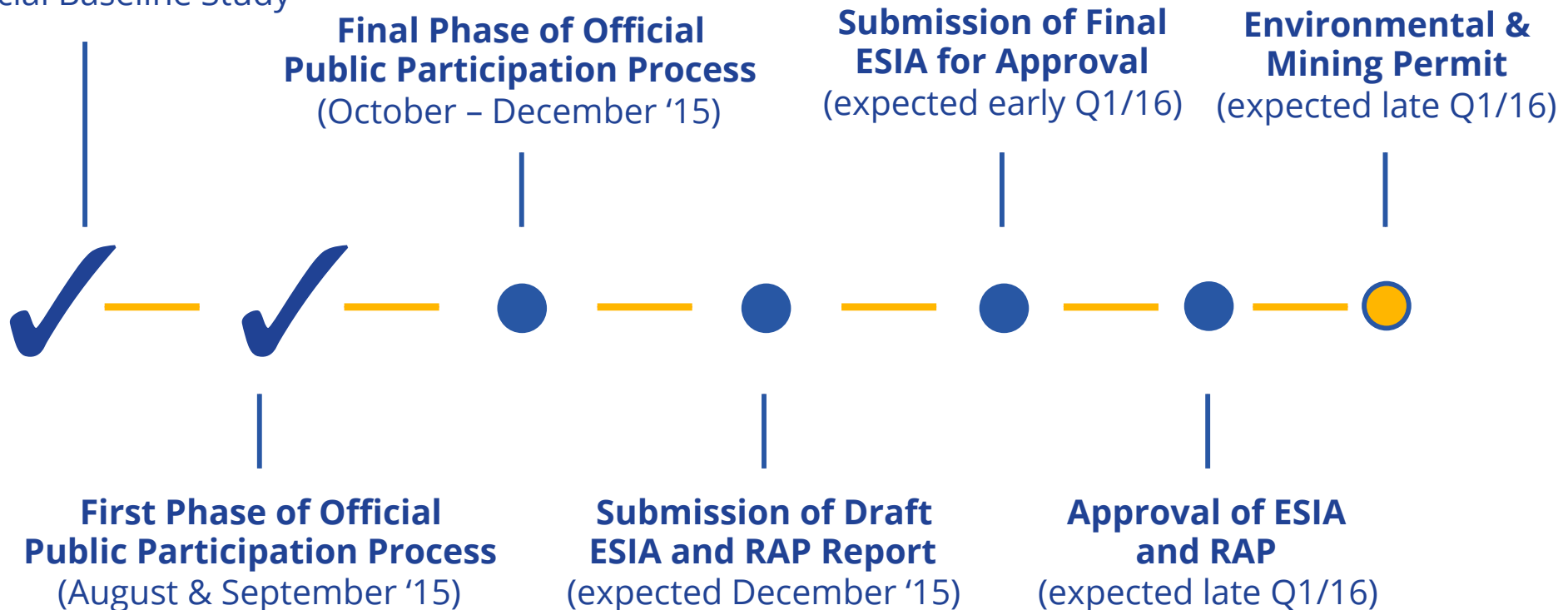


ESIA Approval Process

The Exploitation Permit was awarded in 2003 and new mines only require an approved ESIA

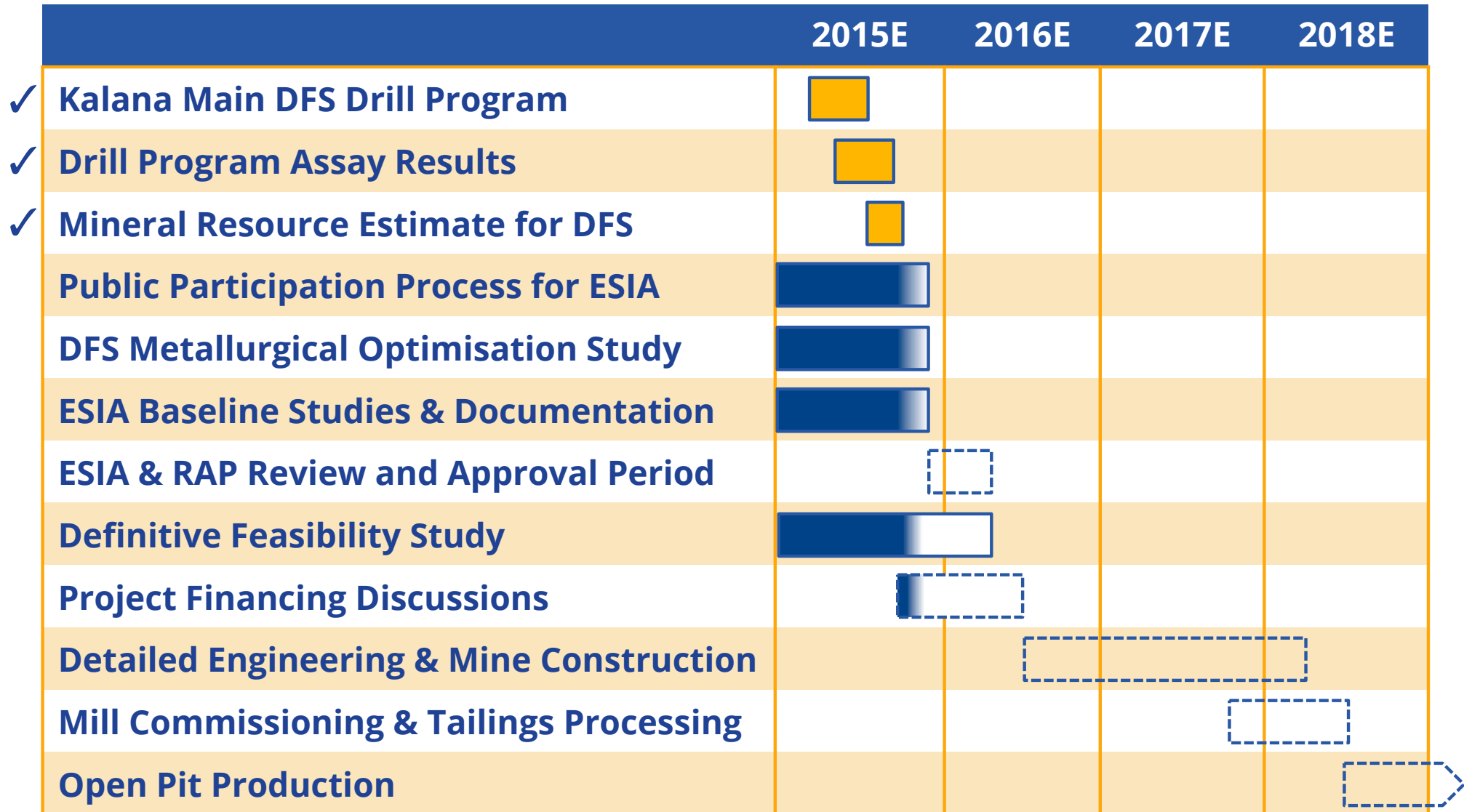
Complete ESIA Document Components

- ✓ Environmental Baseline Studies
- ✓ Health & Safety Baseline Study
- ✓ Social Baseline Study

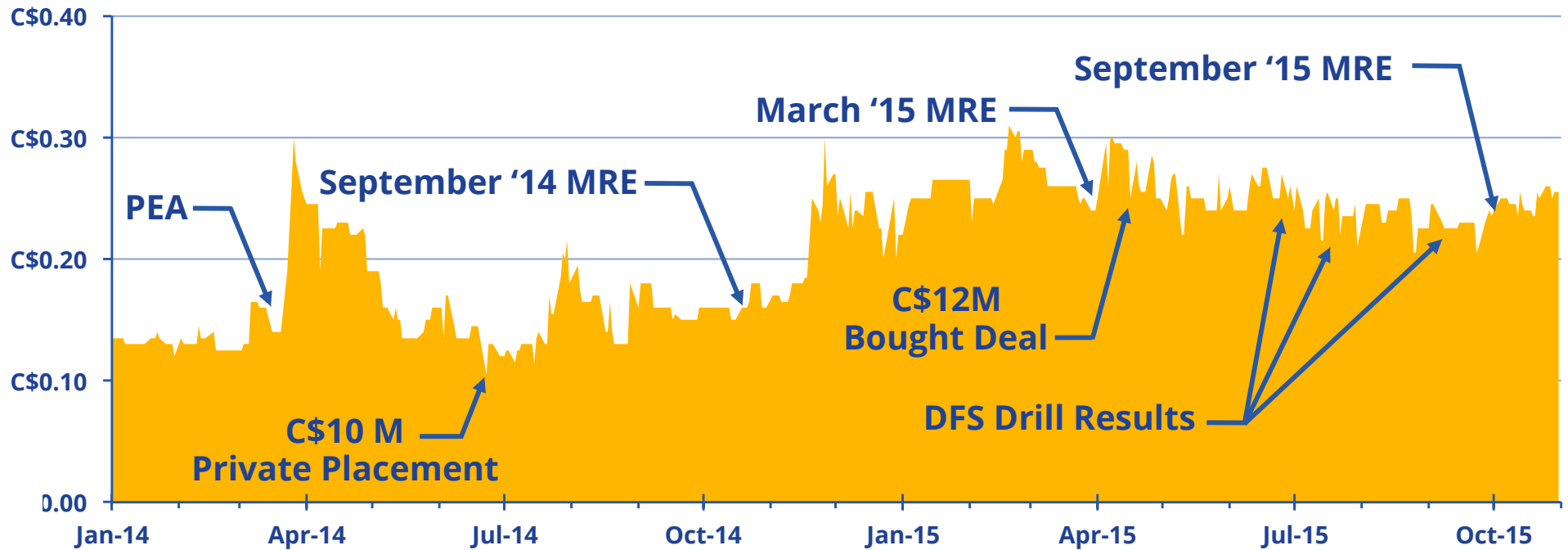


The ESIA is being prepared to conform to the requirements of the IFC's Performance Standards, the World Bank Group's Environment, Health, and Safety guidelines, and other financial institutions that are signatories to the Equator Principles with the intention of pursuing international project financing.

Key Milestones on the Path to Production



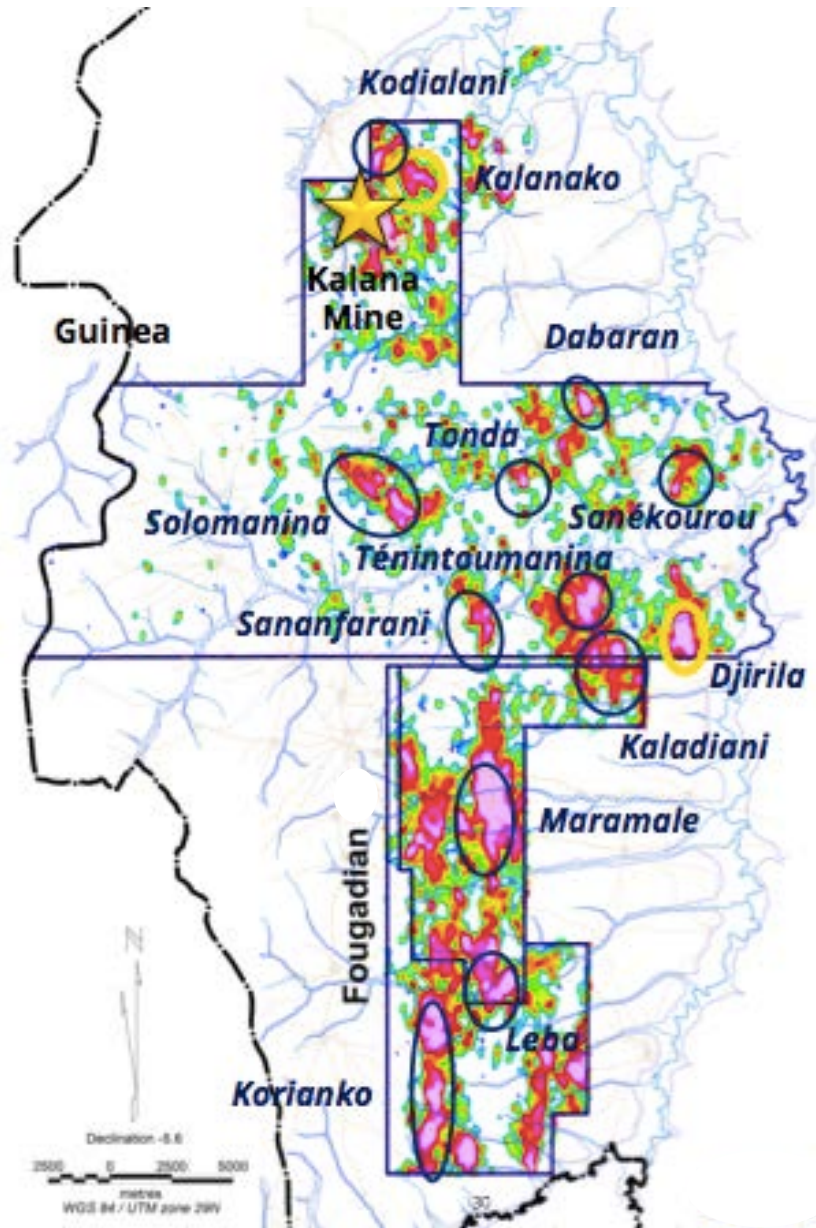
Share Price Performance and Analyst Coverage



Analyst Coverage	Report Date	Target Price (C\$/share)	NAVPS (C\$/share)	Gold Price (US\$/oz)
	10/06/2015	C\$0.70	C\$0.83 @ 5%	\$1,200
	10/06/2015	C\$0.55	C\$0.67 @ 10%	\$1,200
	10/05/2015	C\$0.60	C\$0.80 @ 5%	\$1,350
	10/05/2015	C\$0.65	C\$0.66 @ 10%	\$1,250

Any opinions, estimates, or forecasts regarding Avnel Gold's performance made by these analysts are theirs alone and do not represent opinions, forecasts, or predictions of Avnel or its management. Avnel does not by its reference above, or distribution, imply its endorsement of or concurrence with such information, conclusions, or recommendations.

Looking For Our Next Mine in an Emerging Camp



387 km² Kalana Exploitation Permit

Fougadian Exploration Permits

Legend

Kalana Main



Advanced Target



Prospect



Investment Summary

High Grade Open Pit Deposits are Scarce

- 2.8 million oz open pit Measured + Indicated resource
- Diluted grade of 2.85 g/t diluted
- Large portfolio of nearby exploration targets and prospects

Robust PEA Results at \$1,110/oz Au

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- After-tax NPV_{10%} of \$206 million & IRR of 59%

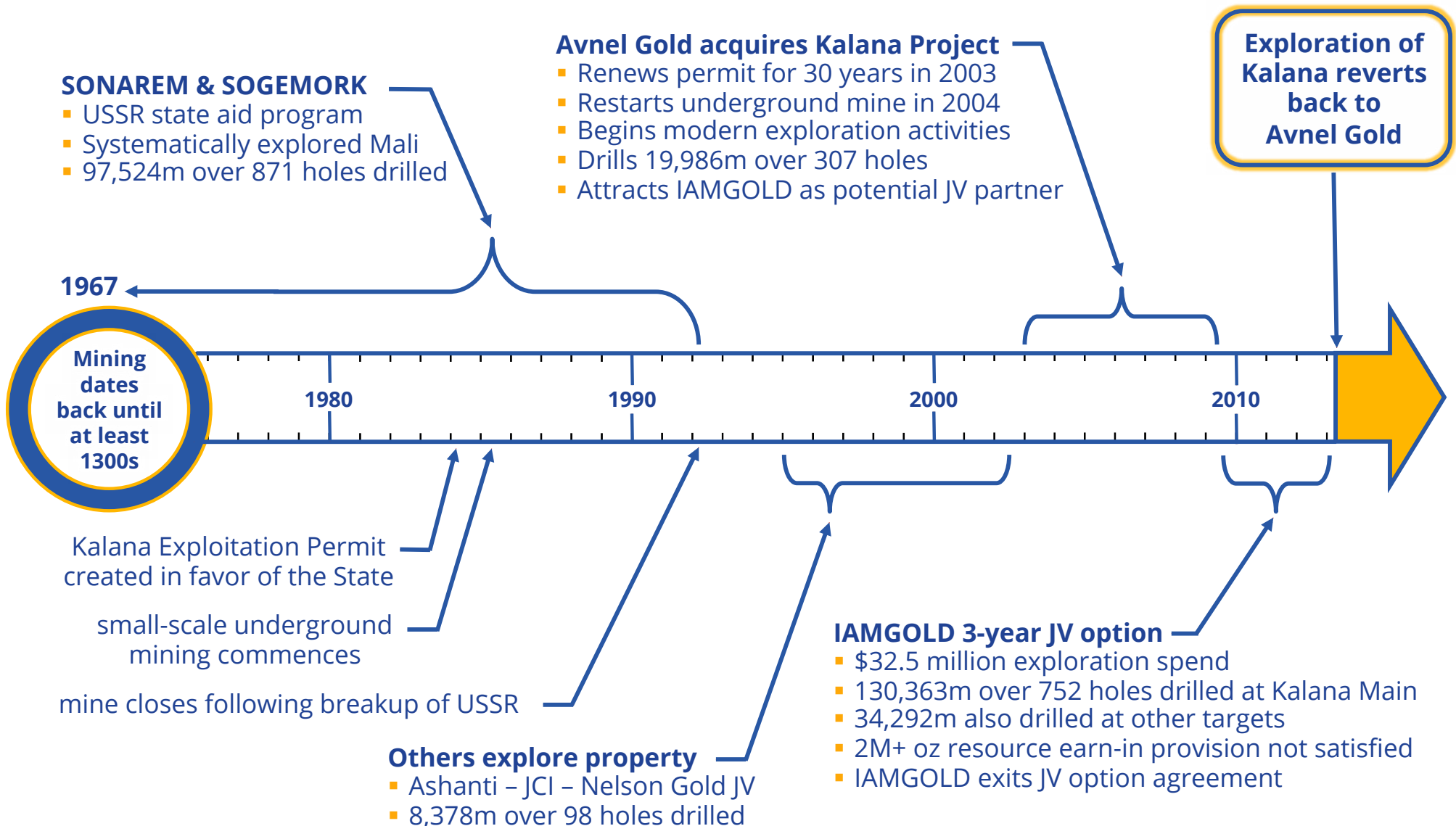
1.5 Million oz Added Since the PEA

- PEA Mine Plan based upon 1.58 million contained ounces
- 1.5+ million ounces of Measured + Indicated added since PEA
- New resource creates optimisation opportunities for DFS

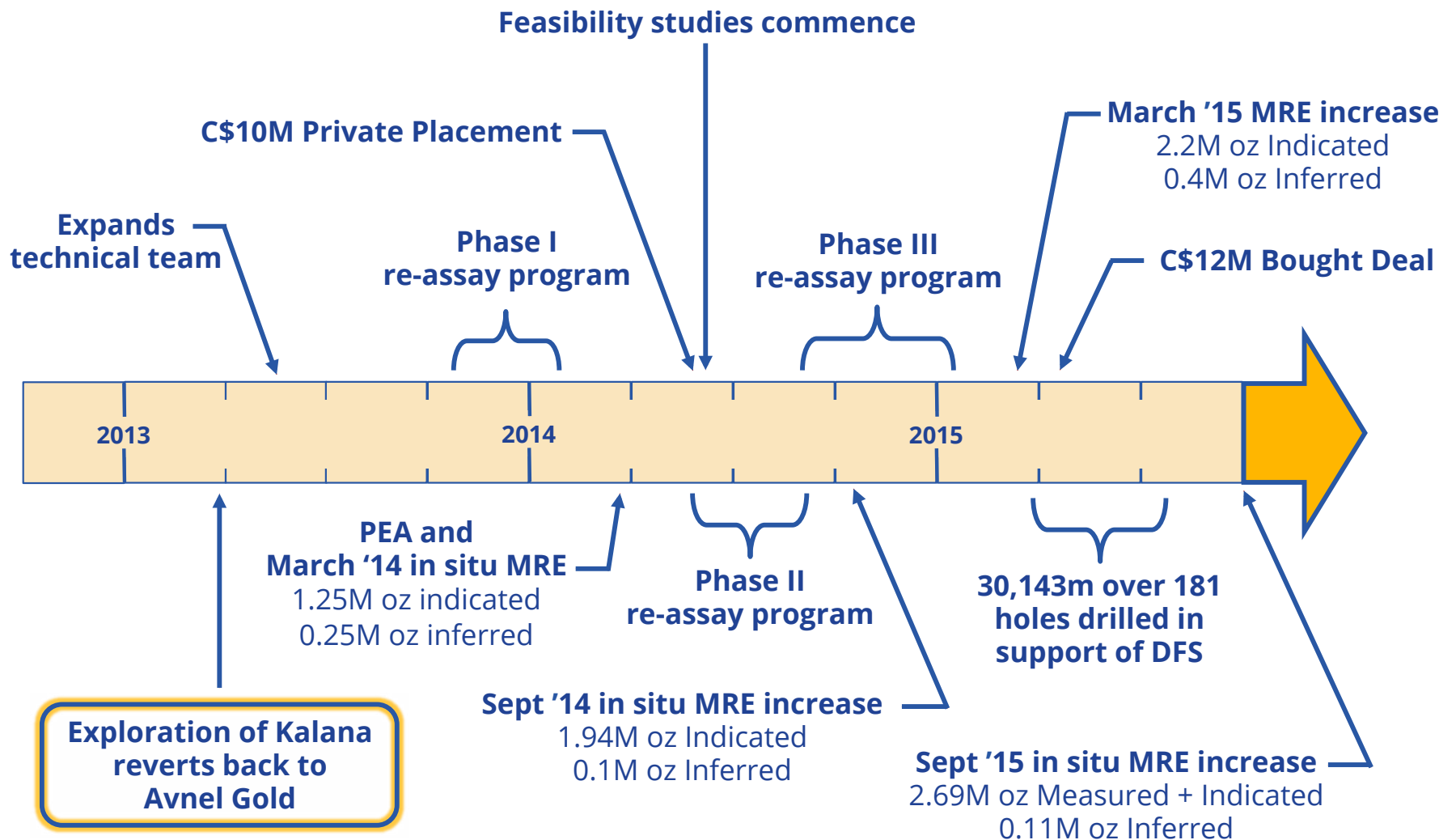
DFS & ESIA in Q1 2016

- DFS scheduled for completion in Q1 2016
- Approval of ESIA for the new open mine expected in Q1 2016
- Project financing discussions initiated

Appendix: History of the Kalana Project

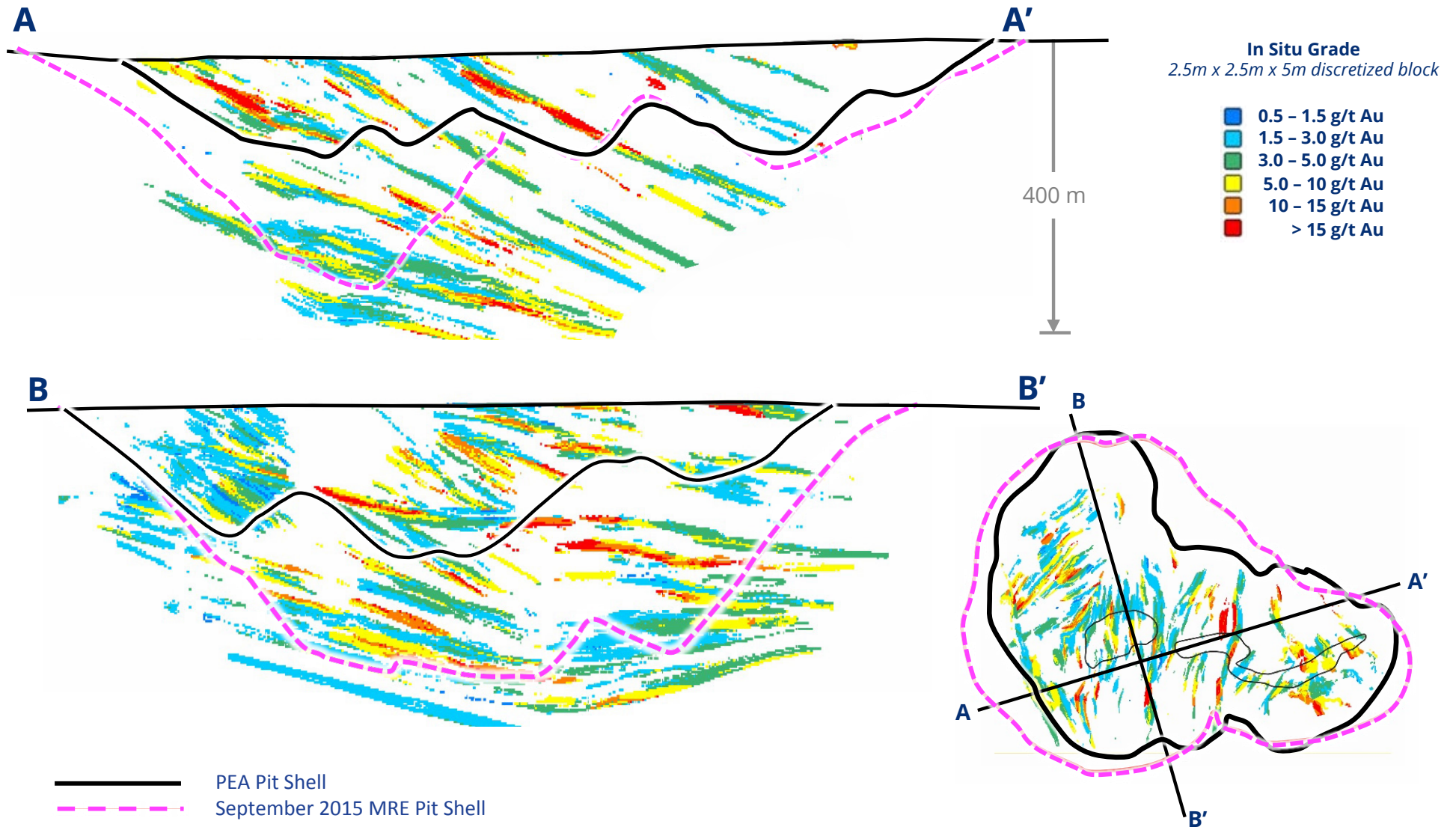


Appendix: Avnel's Recent Progress at Kalana

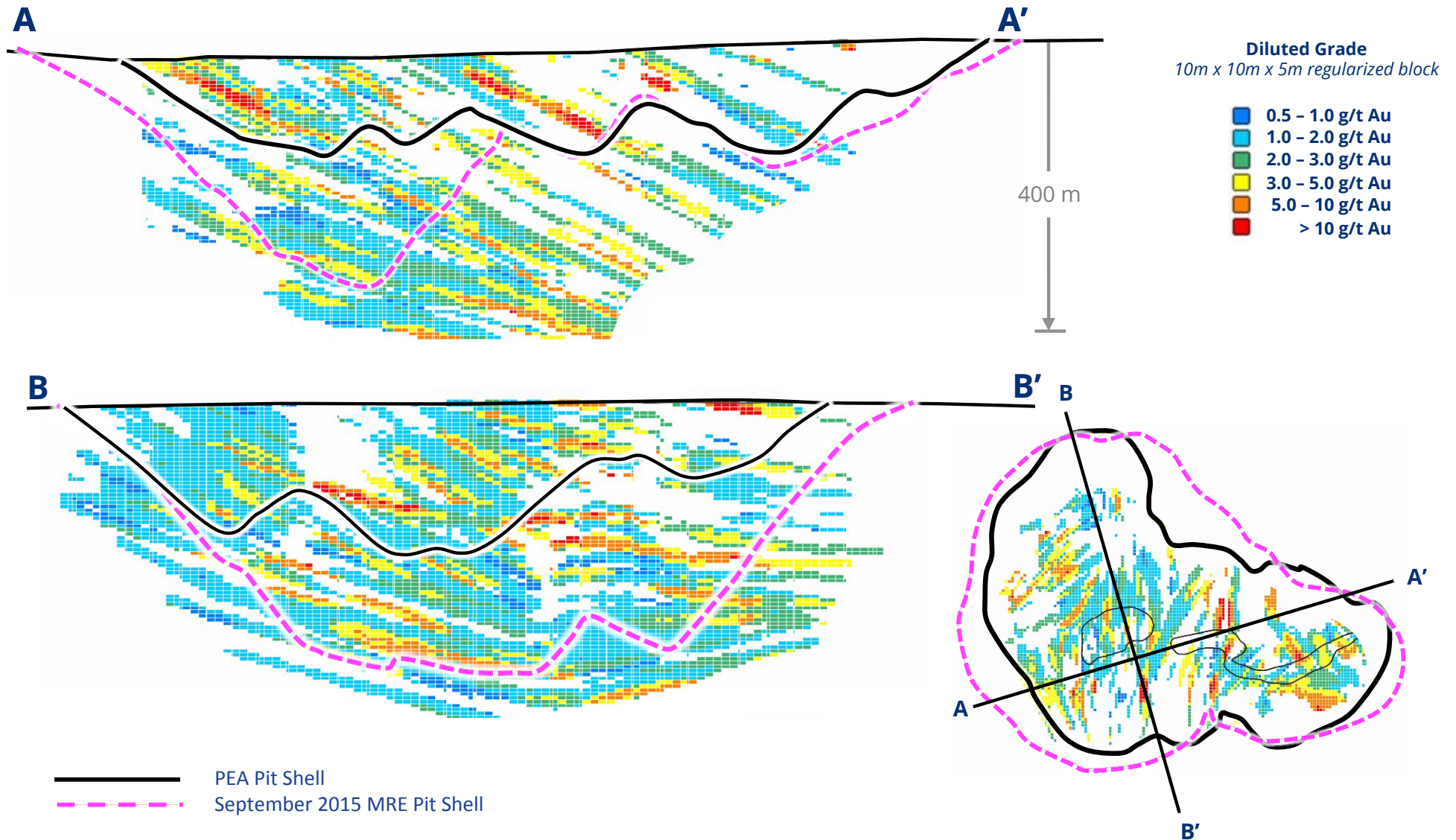


For additional details, please see the slides in the appendix titled March 2014 MRE for PEA, September 2014 MRE, and March 2015 MRE. Avnel Gold owns an 80% equity interest in SOMIKA, the Malian company that holds the Kalana Exploitation Permit.

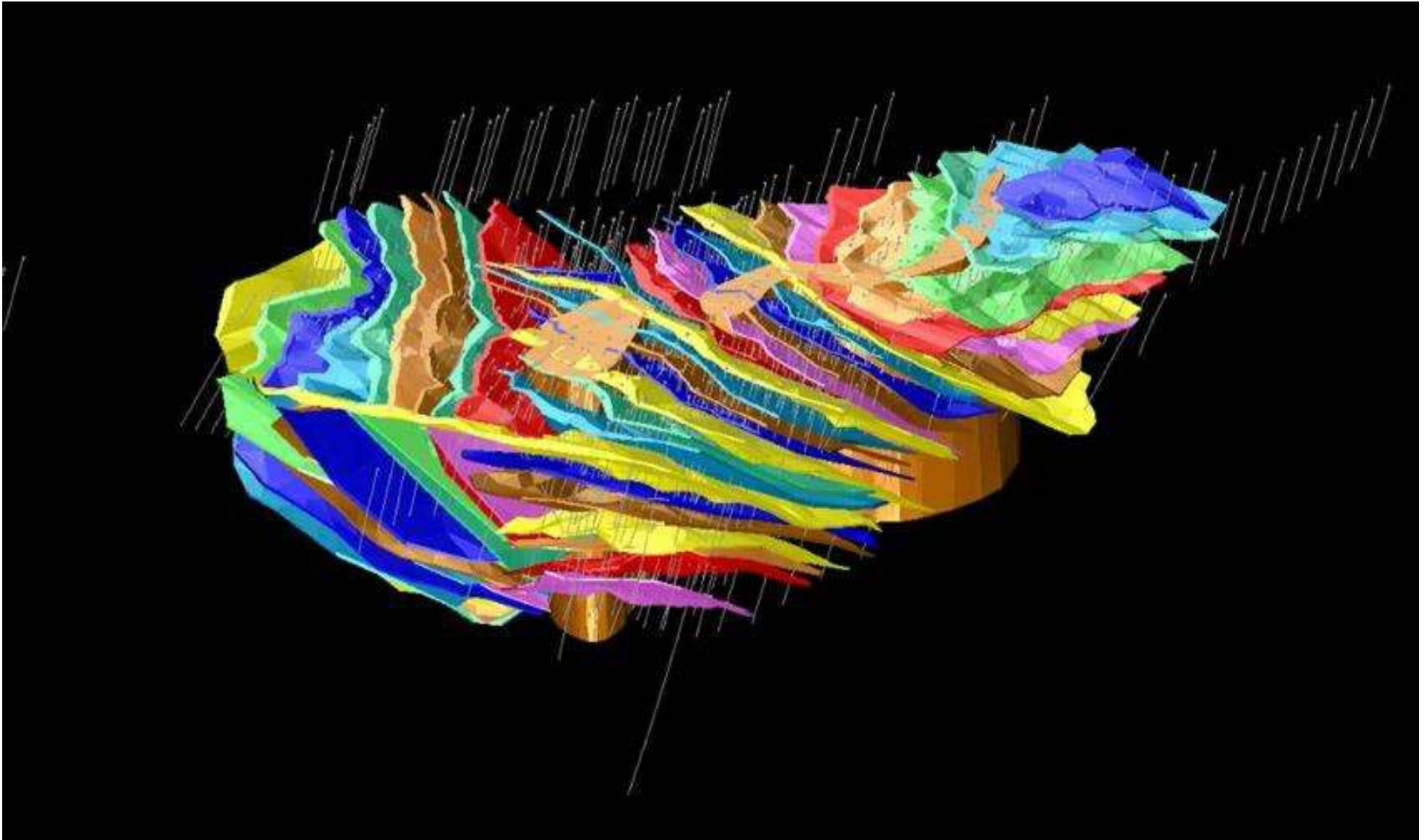
Appendix: September 2015 In Situ Grade



Appendix: September 2015 Diluted Grade



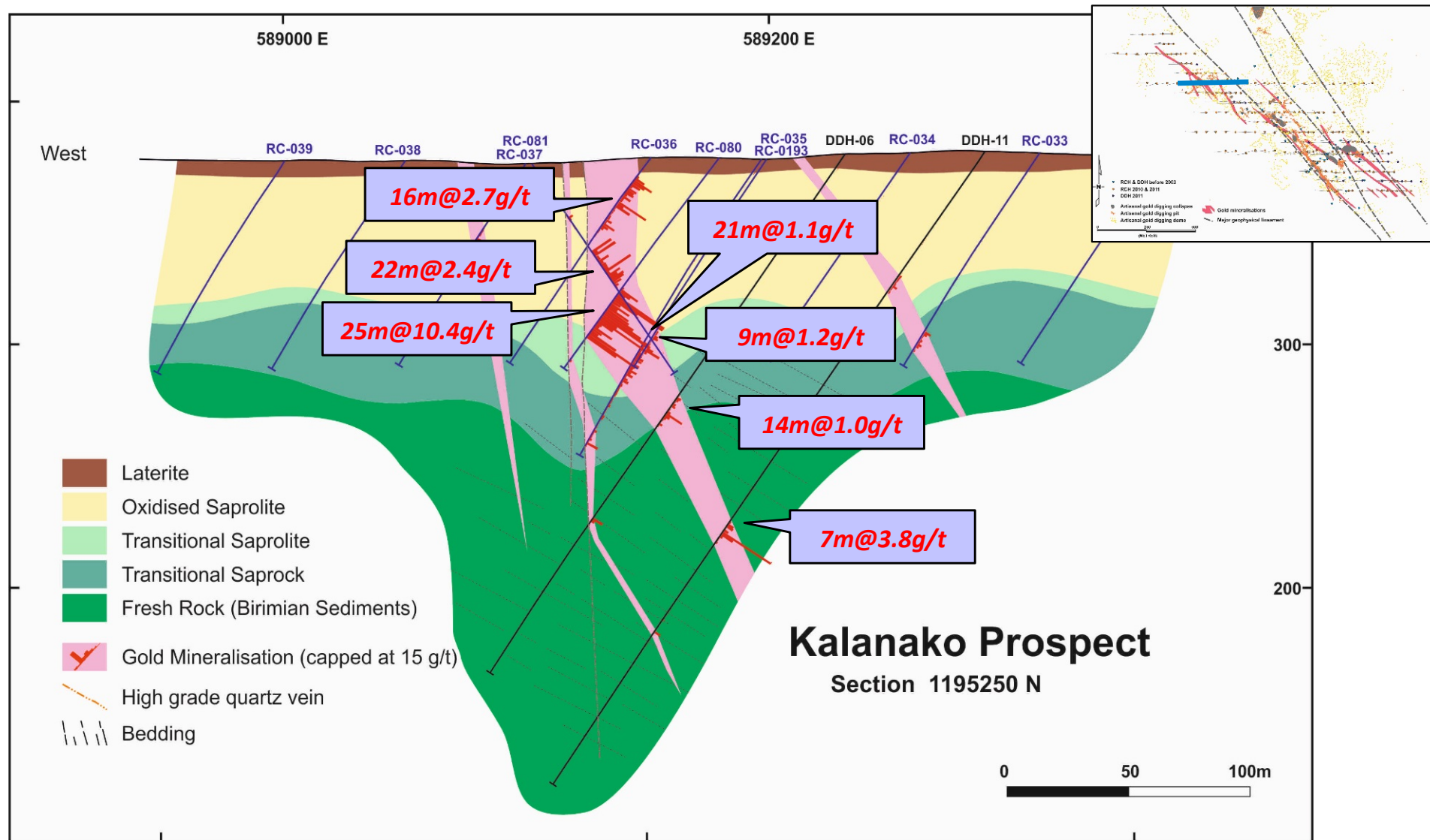
Appendix: Kalana Main 3D Rendering



Major and second order mineralisation modelled and extended in all directions and at depth

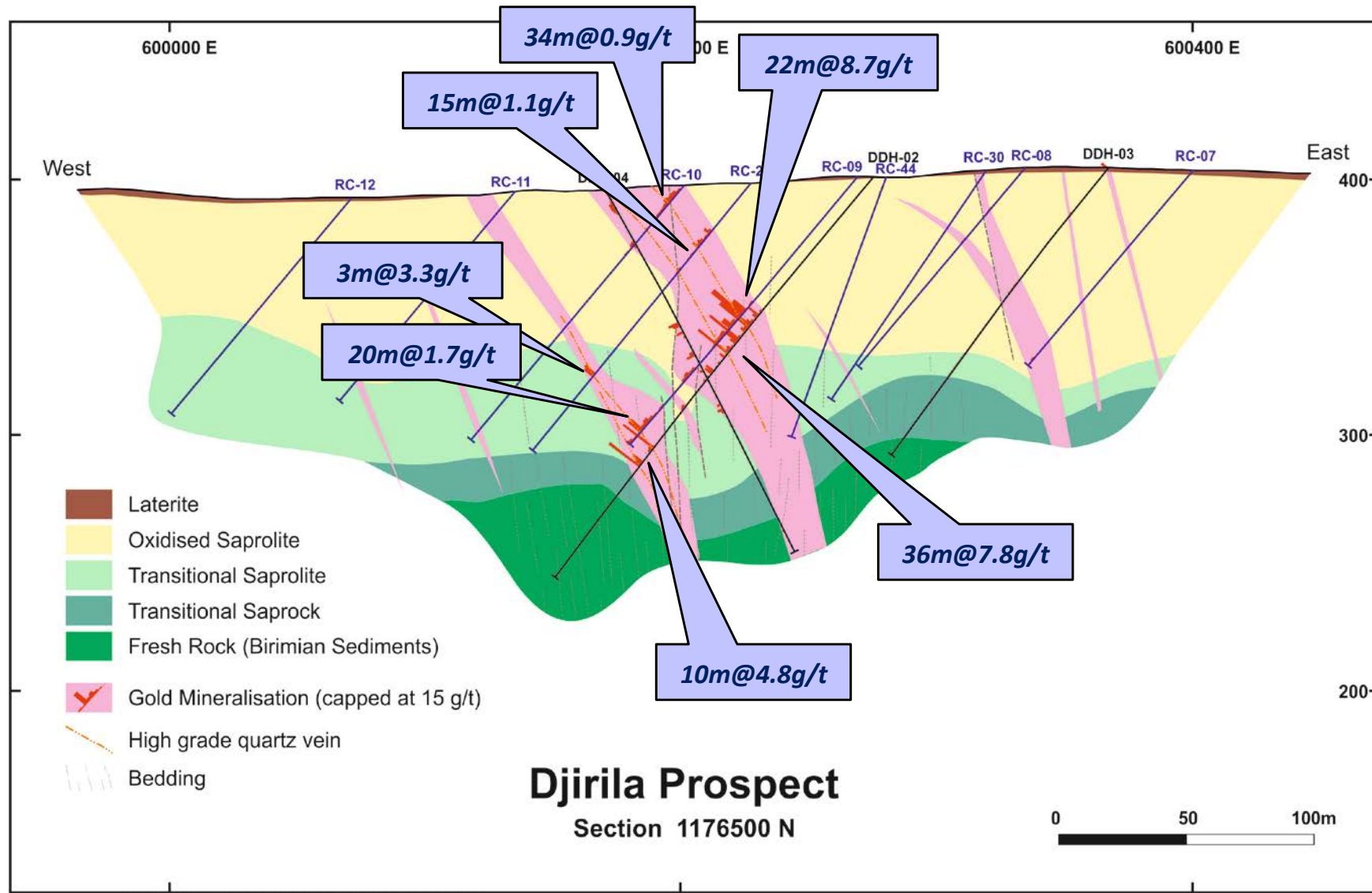
Appendix: Kalanako Advanced Target

Located 3 km northeast of the Kalana Main Project



Appendix: Djirila Advanced Target

Located 20 km southeast of the Kalana Main Project



Appendix: Management Team

Howard Miller Chairman and CEO

Mr. Miller is a former lawyer with more than 35 years experience in the legal, financial, and natural resources sectors. He has raised more than \$600 million to fund the exploration and development of ten mines in Africa, Central Asia, and Canada, principally for gold and precious stones. Mr. Miller was also a founding director of Nelson Resources Ltd., which was sold to LukOil for \$2.2 billion in 2005. A trust of Mr. Miller's family owns about 11% of Avnel Gold.

Roy Meade President

Mr. Meade is a Professional Engineer with more than 35 years of experience in the mining industry and has managed numerous mines, construction projects and feasibility studies in Africa and Central Asia. During the early 1990s, Mr. Meade was the General Manager of Anglovaal's Hartebeestfontein Gold Mine when it was a 1 million ounce per year producer in South Africa. Mr. Meade was also responsible for Nelson Gold's low-grade open-pit mine in Tajikistan. Subsequently, he was the Senior Vice President responsible for Barrick Gold's operations in Tanzania where he commissioned the Bulyanhulu Mine and successfully managed the Bank Guarantee Completion Test. Mr. Meade has been with Avnel Gold since its inception.

Alan McFarlane Chief Financial Officer

Mr. McFarlane is an accountant and joined Avnel in 2009 as Vice President, Finance and Corporate Secretary, and was appointed Chief Financial Officer in 2012. Prior to joining Avnel, Mr. McFarlane served as Vice-President of Finance of Avocet Mining, an AIM-listed gold mining company.

Dr. Olivier Féménias Vice-President, Geology

Dr. Féménias has PhD doctorates in Geology by the University of Brussels and the University of La Rochelle in France. He held the appointment of Assistant Professor at the University of Brussels from 2006 until 2009 when he was recruited by IAMGOLD to manage their \$32.5 million Kalana exploration program until he joined Avnel in 2013.

Jeremy Link Vice-President, Corporate Development

Mr. Link is a Professional Engineer with more than 10 years experience in the resource and financial industries. He has held roles in exploration, mining, equity research, investment banking, asset management, and been a member of the management team of several gold mining companies. Mr. Link has a Bachelor of Geological Engineering (B.E.) from the University of Saskatchewan, a Master of Civil Engineering (M.Eng.) from the Schulich School of Engineering.

Appendix: Board of Directors

Howard Miller

Chairman and CEO

See management profile.

John Kearney

Lead Independent Director

Mr. Kearney is a lawyer with more than 25 years experience managing public companies. Mr. Kearney has been Chairman and President of Canadian Zinc Corporation since June 2003 and is involved with a number of other mining companies.

Andrew King

Independent Director

Mr. King is a former investment banker with significant expertise in resource financing and operations within emerging markets, including Africa, Latin America, and Asia. Until departing Standard Bank in 2014, he spent the prior 14 years in a variety of roles, including managing the Resource Banking division. Mr. King graduated from the University of Witwatersrand with a degree in Metallurgical Engineering and has an MBA in Finance and Strategy from the London Business School.

Ibrahim Kantao

Independent Director

Mr. Kantao has more than 25 years of experience in the natural resource sector as a geologist and administrator. He is currently the Director General of AEL Mali SARL, a Malian mining service company. Previously, he was National Director of Geology and Mines for the Malian Government.

Anthony M. Bousfield

Independent Director

Mr. Bousfield has more than 30 years experience in the finance sector and was the CEO of Merlin Group Securities when he retired in 2008. Mr. Bousfield is the Executive Chairman of the Fern Group Ltd. and is also a director of Diorite Securities, a trustee of the Fern Trust.

Keith McCandlish

Independent Director

Mr. McCandlish is a Professional Geologist with more than 30 years of international geological and engineering experience. Since 2008, he has been the Managing Director of DMT Geosciences Ltd., an international geoscience and engineering consulting firm. Mr. McCandlish has extensive experience in the areas corporate finance, technical audits, project evaluation, and mining fraud investigations.

Jonas U. Rydell

Independent Director

Mr. Rydell has more than 15 years experience in the finance Sector and has been employed as a Securities Analyst with Elliott Advisors (UK) since April 2004. Prior to that, he was a Vice President of Credit Suisse First Boston in London, UK. Mr. Rydell is also a director of Public Service Properties Investments Limited since 2007.

Appendix: Community & Government Support

- **Avnel has strong ties to the Malian Government, the Village of Kalana and other surrounding communities**
- **Kalana has a population of > 9,000 people**
 - We currently employ 366 Malians directly
 - Only 5 expats on site
 - Significant indirect employment
- **Mine clinic provides community health services**
 - 1 doctor, 2 nurses
 - Sponsor four clinics in the region
 - Improved health, especially for children
- **We have electrified most of the community**
- **We have brought potable water to most of the community**
- **We have built 4 schools (11 classrooms)**
 - Provide the teachers, desks, and supplies
 - Provide a proper French education



Appendix: Kalana Mineral Resource Statement

As at 30 September 2015

	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (Moz)
Measured			
Kalana Main	9.0	4.24	1.23
	9.0	4.24	1.23
Indicated			
Kalana Main	10.9	4.19	1.47
Kalana Main Tailings	0.7	1.75	0.04
	11.6	4.04	1.51
Measured + Indicated			
Kalana Main	19.9	4.20	2.69
Kalana Main Tailings	0.7	1.75	0.04
Total M + I	20.6	4.12	2.73
Inferred			
Kalana Main	0.8	4.59	0.11
Kalanako	0.4	5.33	0.07
Total Inferred	1.2	4.83	0.18

1. The Kalana Main pit and the historic Kalana Main tailings Mineral Resource estimates are as at 30 September 2015. The Kalanako pit Mineral Resource estimate is as at 19 March 2015. Mineral Resources are disclosed on a total project basis at 100%. Avnel Gold owns an 80% equity interest in SOMIKA, the Malian company that holds the Kalana Exploitation Permit.

2. The determination of pit-constrained Mineral Resources at Kalana Main are based upon a gold price of \$1,100 per ounce and a 1.2 million tonne per annum mining operation; pit slope angles ranging from 32 degrees in saprolite to 55 degrees in fresh rock; estimated bulk mining cost beginning at surface ranging from \$2.26 to \$2.57 per tonne mined (averaging \$3.10 for the selected pit); estimated processing, grade control incremental ore costs, mining overheads, and G&A costs ranging from \$22.38 to \$30.32 per tonne of ore; and a range of gold recoveries averaging 94%.

3. Unless stated otherwise, tonnages are metric tonnes and are rounded to the closest "0.0" million tonnes, grades are rounded to the closest "0.00", and contained gold rounded to the closest "000" and are reported as troy ounces. All reported grades and tonnes are prior to dilution. Mineral Resources for the Kalana Main deposit are reported following depletion from historical production.

4. Mineral Resources for the Kalana Main and Kalanako deposits are reported above a cut-off grade of 0.9 g/t Au and were estimated by Ivor W.O. Jones, who is recognised as a Qualified Person for the purposes of NI 43-101. No cut-off has been applied to the tailings as all tailings are proposed to be treated. Grades were estimated using Multiple Indicator Kriging (MIK), with the exception of the historical tailings grade, which is estimated from historical production.

5. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant factors. These Mineral Resources are reported using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

6. The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.

Appendix: Kalana Main Diluted Resources

As at 30 September 2015

	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (Moz)
MEASURED MINERAL RESOURCE			
Saprolite	2.7	3.11	0.27
Saprock	1.0	3.63	0.12
Fresh	9.9	2.80	0.89
TOTAL	13.6	2.92	1.28
INDICATED MINERAL RESOURCE			
Saprolite	2.6	2.86	0.24
Saprock	1.1	2.80	0.10
Fresh	13.4	2.78	1.20
TOTAL	17.0	2.80	1.53
MEASURED + INDICATED MINERAL RESOURCE			
Saprolite	5.3	2.99	0.51
Saprock	2.1	3.21	0.22
Fresh	23.2	2.79	2.08
TOTAL M+I	30.6	2.85	2.81
INFERRED MINERAL RESOURCE			
Saprolite	0.16	2.51	0.01
Saprock	0.03	2.08	0.00
Fresh	1.11	3.02	0.11
TOTAL	1.30	2.93	0.12

1 – Mineral Resources are disclosed on a total project basis at 100% as at 30 September 2015. Avnel owns an 80% equity interest in SOMIKA, the Malian company that owns the Kalana Exploitation Permit. Some amounts in this table may not compute due to rounding and truncation.

2 – Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

3 – See Avnel's news release dated 5 October 2015 for more information.

Appendix: PEA Breakdown & Reconciliation

Capital Cost Breakdown

Item	\$M ¹
Pre-Strip ²	15.0
Infrastructure & Utilities	3.7
Power Plant	10.0
Process Plant	40.4
Ancillary Buildings	4.7
New Tailings Facility	9.4
EPCM	11.4
Community Resettlement	7.8
Indirect & Owners' Costs	24.5
Contingency	22.4
Initial Project Capital	146.5
Sustaining Capital	31.4
Closure Costs	10.0
Total LOM Capital Cost	187.9

Operating Cost Breakdown

Item	\$/t ¹	\$/oz ¹
Mining	\$30.29/t	\$326/oz
Processing	\$16.37/t	\$176/oz
Site G&A	\$4.50/t	\$48/oz
Site Cash Operating Costs	\$51.16/t	\$551/oz
Royalties & Selling Costs		\$38/oz
Total Cash Costs³		\$589/oz
Sustaining Capital		\$21/oz
On-site AISC⁴		\$610/oz
Closure Costs		\$7/oz
Initial Project Capital		\$100/oz
Total Project Cash Costs⁵		\$717/oz

1 - Derived from the 31 March 2014 Preliminary Economic Assessment NI 43-101 Technical Report prepared by Snowden utilizing a gold price of \$1,110 per ounce for the determination of royalties. All amounts reported on a 100% project basis. All dollar amounts are in millions of US dollars, except for unit costs, which are in US dollars. Some amounts may not compute due to rounding and truncation.

2 - Pre-strip, sustaining capital, and closure costs are excluded from the contingency amount as presented in the PEA.

3 - "Total cash costs" include mining, processing, site G&A, royalties and selling costs and are exclusive of depreciation, amortization, reclamation, construction, development, exploration and other non-site costs over the life of mine.

4 - "On-site All-in Sustaining Costs" or "On-site AISC" is defined as "Total Cash Costs" plus "Sustaining Capital" costs over the life of mine and excludes corporate G&A and exploration expenses as per the PEA divided by the expected number of ounces to be recovered over the life of mine.

5 - "Total Project Cash Costs" are defined as "Adjusted AISC" plus "Initial Project Capital" and "Closure Costs".

For additional information

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