

Stock Data

Share Price: 0.34p
Market Cap.: £2.5m
Shares in issue: 701.8m

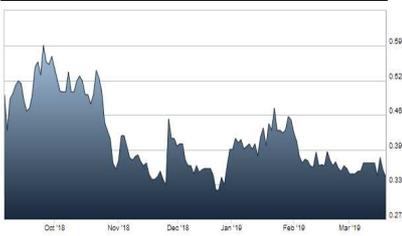
Company Profile

Sector: Mining
Ticker: ORR.L
Exchange: AIM

Activities

Exploration and development company focused on gold and base metal deposits. Oriole is active in Senegal and Cameroon and has interests in companies operating in Africa and Turkey.

Share price performance



Source: LSE

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TPI acts as joint broker to Oriole Resources PLC

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Oriole Resources PLC

Soil sampling at Oriole's Wapouzé gold project in Cameroon has identified multiple gold-in-soil anomalies including an 8km long NE-trending anomaly (>10 ppb Au) within the Bataol Zone in the northeast of the licence with a highest grade of 531 ppb Au. Additional anomalies have also been identified in the southeast of the licence, in the Bidzar Zone, one of which is supported by a 7.36 g/t Au selective rock chip sample from an outcropping quartz vein. This latest news follows on from earlier operational updates from Oriole's activities at the Bibemi gold project in Cameroon in addition to the Dalafin gold exploration project in Senegal which are outlined in greater detail within this report.

On 6 March 2019, Oriole completed a 400m x 100m spaced systematic soil sample at the Wapouzé gold project in Cameroon where the company is earning a 90% interest from local partner, BEIG3. The programme focused on the eastern portion of the licence where previous stream sediment sampling by the former operator returned five anomalous samples greater than 25 ppb Au.

A total of 2,119 samples were collected from 30-40 cm below surface in most cases and of the samples, six assayed greater than 100 ppb Au with a best result of 531 ppb Au. A further 34 samples returned >20 ppb Au and 106 samples defined broader zones of lower grade anomalism (>10 ppb Au).

The results indicate two main zones of NE-trending mineralisation associated with quartz veins hosted within a NE-trending package of sheared lithologies. These are the Bataol Zone, extending 8km x 5km in the northeast of the licence covering the previously identified 8km stream sediment anomaly, and the Bidzar Zone (2km x 4km), in the southeast of the licence.

At the Bataol Zone, multiple >10 ppb Au anomalies have been defined including 8km x 0.2km and smaller 2.8km x 0.2km and 2.2km x 0.2km. Higher grade zones (>60 ppb Au) also exist within and independent of these anomalies including two measuring 1km x 0.1km which could indicate a potential for higher grade ore shoots. The Bidzar Zone contains narrower (0.1km) and less continuous anomalies including one 0.4km long anomaly of >60 ppb Au. However, a second 0.8km anomaly in this zone is supported by a 7.36 g/t Au rock chip sample. Oriole now intends to commence an infill soil programme (to 200m x 100m) over three key anomalies at the primary Bataol Zone in order to tighten up the anomalies ahead of a trenching decision.

On the financial side, Oriole announced in January 2019 that it expects to receive £0.5m from HMRC following the resolution of a VAT dispute. The company also received an R&D rebate from HMRC amounting to £40,000 in February 2019. This was augmented by news that Oriole will also receive US\$0.5m in success based payments from its partner, Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi, in relation to the Karaağaç project in Turkey. This payment, which is being delivered in staged payments of US\$25,000 per month for 20 months (first payment received in February), was triggered by the definition of a minimum JORC-2012 compliant resource for the project.

Oriole's first phase soils programme has demonstrated continuous gold anomalism in wide corridors over a cumulative strike length of c.13km in the Bataol Zone of the Wapouzé licence in addition to identifying new anomalies in the Bidzar Zone further south. This supports the company's view that both its licences in Cameroon have the capacity to host a brand new gold district.

Update on the Bibemi gold project in Cameroon

On 6 March 2019, Oriole provided an update on its activities on the Bibemi gold project located in Cameroon, where like Wapouzé, the company is earning up to a 90% interest in the project. In the last quarter of 2018, Oriole reported that rock chip sampling results at Bibemi demonstrated high-grade gold anomalism extending over a c.4km strike (see Turner Pope's research note dated 28 November 2019 for further details).

Results from a follow-up Phase 1 trenching programme at Bibemi have now confirmed multiple zones of orogenic-style mineralisation including 6m @ 3.02 g/t Au with individual veins returning up to 13.70 g/t Au. Mineralisation is associated with quartz and quartz-tourmaline veins hosted in amphibolite schist and granodiorite, commonly enveloped by wider zones of sericite-chlorite-epidote alteration.

Results for the remainder of the Phase 1 trenching programme are anticipated by early Q2 2019 and will include four trenches covering the previously reported high-grade rock-chip samples of 135.40 g/t Au, 119.70 g/t Au, 117.20 g/t Au and 107.20 g/t Au.

Trenching results summary

Phase 1 focused on two key areas, namely Zone 1 and Zone 2, within the central Bakassi zone where former operator Reservoir Minerals Inc. had previously identified three parallel mineralised trends over a cumulative strike distance of approximately 20km. A total of 22 trenches at depths of 1-2m were completed for a total of 8,742m and sample analysis results have been received from the first 13 trenches (BT-001 to BT-013) with the best results (0.10 g/t Au cut-off) comprising:

- 6m @3.02 g/t Au (Trench BT-010)
- 1.4m @6.31 g/t Au and 1.2m @ 1.48 g/t Au (Trench BT-005)
- 2m @ 0.86 g/t Au (Trench BT-002)
- 2m @ 0.87 g/t Au (Trench BT-007)
- 4m @ 0.76 g/t Au (Trench BT-008)
- 2m @ 0.76 g/t Au (Trench BT-013)

Channel sampling of individual veins within these trenches has returned grades of up to 13.70 g/t Au and the highest grades yields from moderate to steeply dipping N-S oriented structures which cross-cut the main NE-shear foliation.

Phase 2 trenching programme

Phase 2 infill trenching (100m spacing) will commence shortly for a planned 4,360m. Oriole plans seven trenches for 3,170m at Zone 1 and five trenches for 1,190m at Zone 2.

Senegal update – the Dalafin gold project

On 28 February 2019, Oriole provided an update on its 85%-owned exploration project in the Kédougou-Kéniéba inlier of eastern Senegal where IAMGOLD Corporation has the option to spend up to US\$8.0m to earn a 70% interest in the project.

IAMGOLD has confirmed that it will restart exploration at the Dalafin gold project in the current month following the recently announced Q4 2018 drilling results which reported a best intersection of 8m @ 2.56 g/t Au in February 2019. The programme will now continue to explore the Madina Bafé prospect as well as moving further north to the Saroudia prospect.

Programme highlights

IAMGOLD is poised to commence a US\$1.0m Year 2 earn-in on Dalafin. The next stage of the programme will continue its focus on the Madina Bafé prospect and include:

- 5,000m regional aircore (AC) drilling to extend the 2018 campaign to the north
- 4,000m reverse circulation (RC) drilling to follow up on the best results from last year's programme

The AC programme will comprise 1,267 vertical holes drilled on a 400m x 50m spacing where a bottom hole sample will be taken from each hole to test the bedrock geochemistry and samples will be assayed for low-level gold and multi-elements.

The RC programme will follow up on anomalous trends defined by the AC drilling and eight holes will also be drilled to test an artisanal site in the northeast of the prospect which was identified during AC drill pad construction.

IAMGOLD will also initiate work on the Saroudia prospect located some 2km to the northwest of Madina Bafé, with activity focusing on:

- 2,500m regional AC drilling to explore for NE-structures located beneath transported laterites
- Subsequent 1,600m RC drilling to follow up on best AC results

The AC drilling programme will be completed as 654 holes on the same spacing as at Madina Bafé to test the most prospective areas. As with Madina Bafé, bottom hole samples will also be taken from each hole to test the bedrock geochemistry and samples will be assayed for low-level gold and multi-elements.

Both of these targets are located within 20km of IAMGOLD's Boto gold project (2.49 Moz) and first results from this programme are expected in later Q2/Q3 2019.

Deal terms summary

Under the terms of its agreement with Oriole, AGEM Senegal Exploration Suarl (AGEM), a wholly-owned subsidiary of IAMGOLD, is earning-in to an initial 51% interest in the Dalafin project by spending US\$4.0m on exploration over four years. IAMGOLD also has the option to increase its interest to 70% by expending an additional US\$4.0m over the subsequent two years.

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