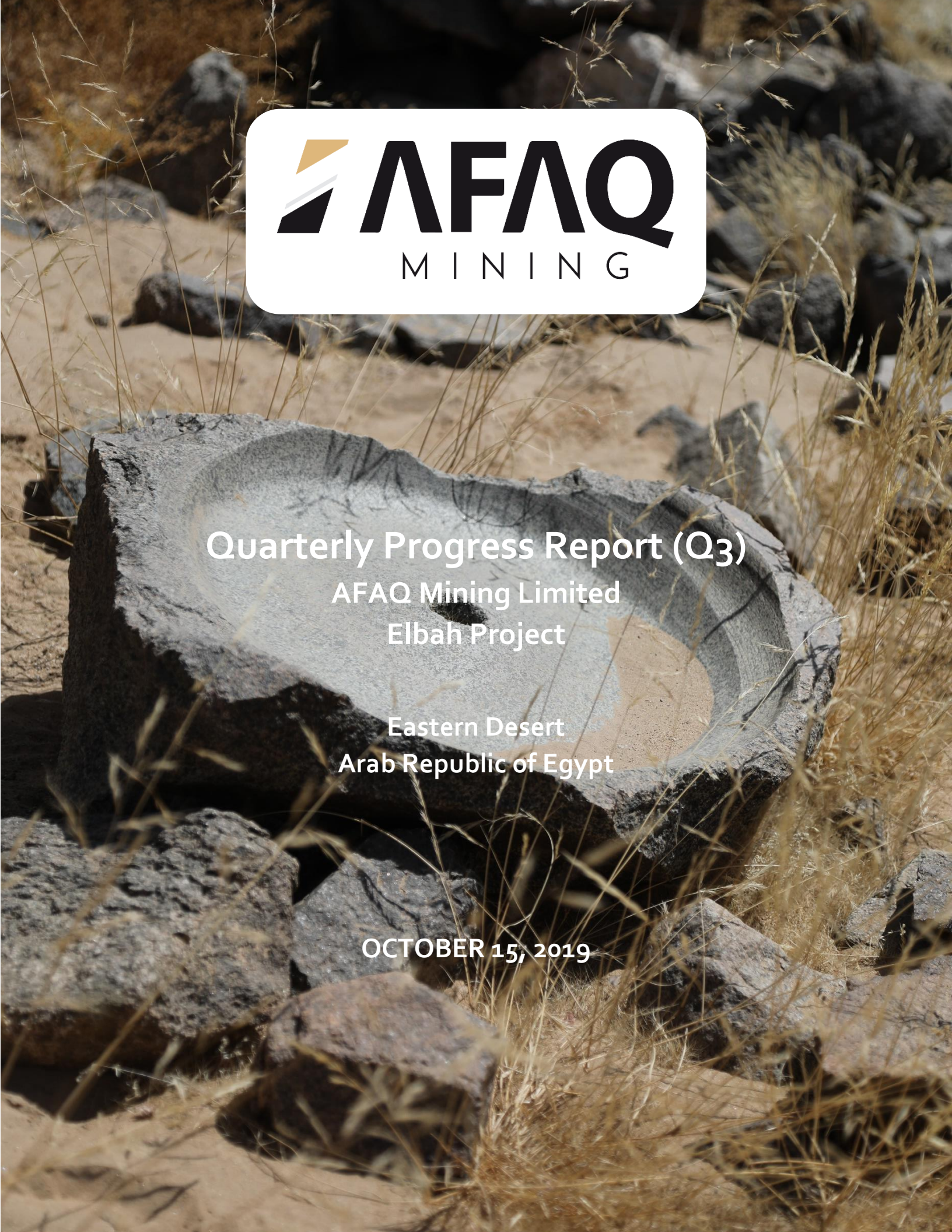

Quarterly Progress Report (Q3)

AFAQ Mining Limited

Elbah Project

Eastern Desert

Arab Republic of Egypt

OCTOBER 15, 2019

Contents

Appendices

1 Executive Summary

AFAQ Mining Limited commenced an exploration work program at the AFAQ Western Elbah Concession Area at the beginning of January 2019. Through an exploration contract agreed with Shalateen Mineral Resources Company (SMRC) in December 2018 AFAQ acquired the right to conduct mineral exploration on the Concession Area and, if economically viable mineralisation is discovered, subsequently develop and exploit it. AFAQ has and continues to conduct a comprehensive work program that to date has comprised satellite image interpretation, comprehensive logistical preparation, detailed and reconnaissance geological mapping, extensive field sampling for gold determination and sampling for wholerock geochemistry and multi-element analysis to characterise alteration and mineralisation characteristics. The program follows international norms and exemplary professional standards. Messrs. Mostafa El Bahr and Mr. Ahmed Bassiouny, Chairman and CEO of AFAQ respectively, direct the operation of AFAQ while the field program is managed by Mr. Ragab Elbanna with the field crew geological staff consisting of Messrs. Mohamed Darweesh, Islam Helal and Mostafa Mohamad and Hassan Mohy.

Phase 1 of the work program conducted at the Western Elbah Concession by AFAQ has focussed on the Romeit gold occurrence area, primarily because it is the most readily accessible, best understood and presently the most prospective of the occurrences located within AFAQ's concession area.

During the first and second quarters (commencing January ending June 2019) the work program included data management, completion of a satellite interpretation study and detailed mapping accompanied by sampling of the entire Romeit occurrence area. Additional, limited, bedrock sampling at the reconnaissance level was conducted at the Masho Shinai occurrence. Further sampling was conducted in alluvial sediments adjacent to bedrock exposure in order to conduct a pilot study for alluvial gold potential. In addition, a field camp was constructed to improve efficiency of the work program.

During the third quarter geological mapping and sampling was expanded to the Hamida area, south of Romeit, following a field-work hiatus in July and August. During September two map areas were completed and 400 samples were collected for analysis.

The aim of the initial mapping program has been to detail the local geology of the Romeit occurrence at large scale (1:500) focussing on vein distribution and geometry, degree of deformation, and mineralisation and alteration associated with veining and structural features. Widespread sampling has been conducted in conjunction with the mapping; the purpose of this is to provide an extensive dataset describing the distribution of surface mineralisation as a basis for future detailed sampling, trenching, diamond drilling and possibly as a vector for geophysical surveying. To date typically north-south traverses employing the UTM grid were used for field control – line spacing was variable and dependent on distribution of mappable geological features but usually approximately 50m was employed as a basis for the traverses. All of the Romeit occurrence has been mapped so far

using this methodology (to the end of the Q2 work program) while mapping at the Hamida occurrence is now underway (commencing in Q3).

The sampling program conducted in conjunction with the detailed field mapping entailed a separate sampling crew traversing mapped areas and consistently collecting samples from quartz veining, alteration zones and deformation zones. As noted above the intent of the sampling is to characterise the distribution of gold mineralisation. A total of 4675 samples have been collected to date comprising 4600 analytical samples including standard, blank and field duplicate samples – 1700 of these samples are awaiting analysis or have yet to be delivered to the laboratory. Fifty samples were collected in Q2 for multielement analysis and 15 samples were submitted for whole rock litho-geochemistry – analytical results for these samples were received in Q4 and have not been interpreted yet. A further 10 samples of alluvial sediment were collected in Q2 as a pilot study examining the potential for alluvial gold mineralisation – these have yet to be submitted for processing and analyses.

Analytical results are discussed in the text of this report and are tabulated in appendices attached hereto and updated to receipt of Q3 results. The analytical data set compiled to date for the Romeit area indicate the presence of distinctly anomalous domains of gold mineralisation associated with quartz veining, sulphide mineralisation, chlorite-sericite-carbonate alteration and strong deformation. The domains are measured in thickness up to several metres and can be persistent along strike for hundreds of metres. At present the domains are particularly prevalent at the southern part of the Romeit occurrence but further analytical results may modify this apparent distribution; further unobserved mineralisation may well occur beneath the alluvial sediments occurring to the south of the southern part of Romeit.

As of the close of the third quarter (Q3) of the AFAQ work program detailed mapping and smaller-scale mapping peripheral to the core mineralised domain has been completed at the Romeit occurrence. When field work recommenced in September the field crew began mapping at the Hamida occurrence – at present 400 samples have been collected but no analyses have been received.

The application of other exploration techniques such as ground geophysics is currently being planned. Diamond drilling will ultimately be necessary to evaluate sub-surface mineralisation.

2. Introduction

2.1 Land Tenure, Location and Access

AFAQ Mining Company (J.S.C) ("AFAQ") executed an exploration contract with Shalateen Mineral Resources Company ("SMRC") dated 05/12/2018 on a portion of the Gabal Elbah Concession Area (AFAQ concession). A budget covering all aspects of a work program for a

one-year period was submitted on 13/12/2018. Transfer of the AFAQ concession from SMRC to AFAQ was completed after budget approval.

The AFAQ concession comprises approximately 680 km² and is located in the extreme southeast part of the A.R.E. within the Eastern Desert. The southern boundary of the concession coincides with the international border with Sudan. The Romeit gold occurrence, located near the northern boundary of the AFAQ concession is about 90 linear kilometres from the village of Shalateen. Ground access is obtained by four-wheel drive vehicles along tracks leading from the metalled coastal road that connects the area with the larger population centres of Marsa Alam, Quseir and Hurghada to the north. Two small villages are located on the coast near the AFAQ concession – Abu Ramad and Halaib.

Fig.1 – Location Map of Elbah Concession

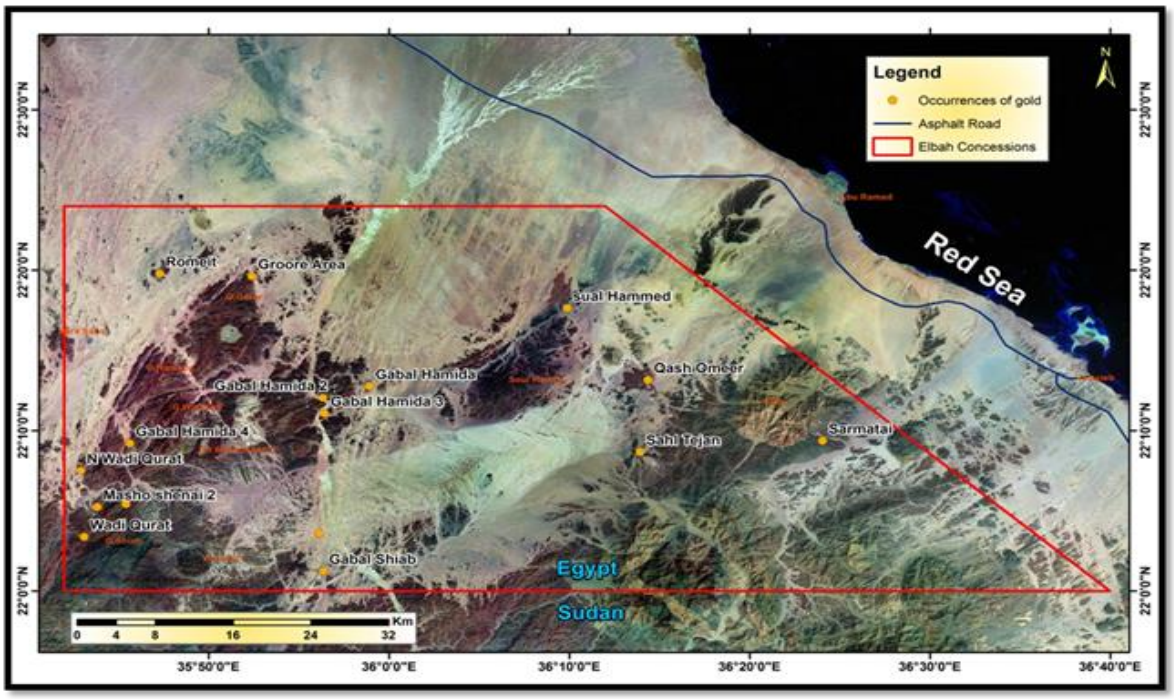

Fig 2. Extent of the SMRC Mining Elbah Concession Area – Red Boundary

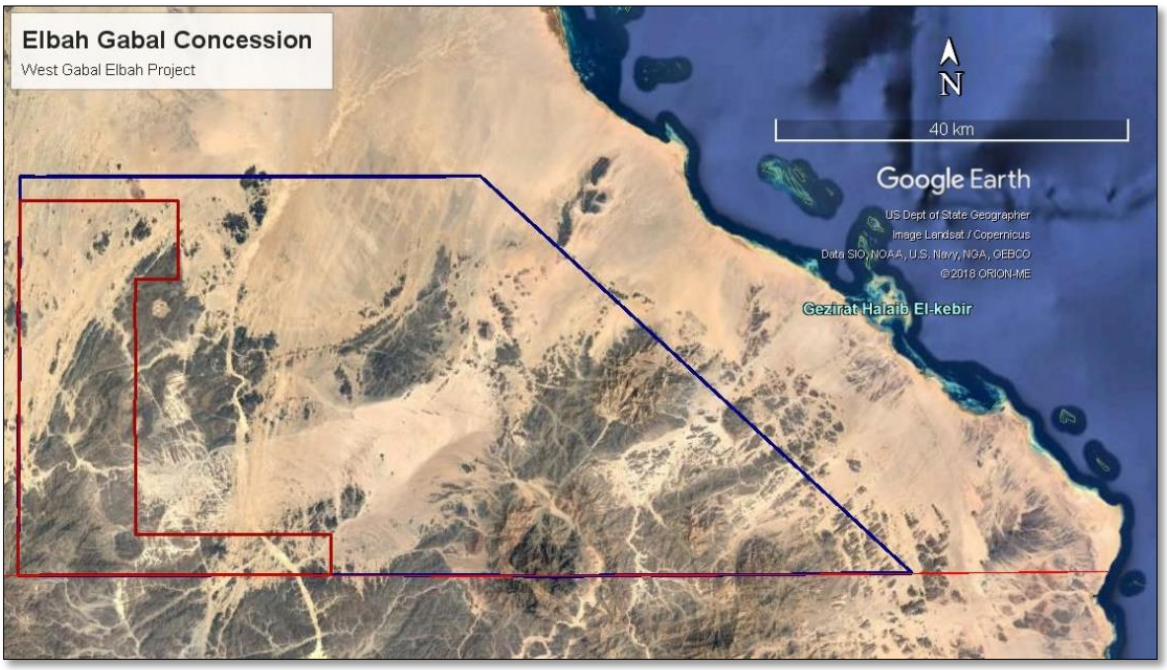

Fig 3. Extent of the AFAQ Mining Elbah Concession Area – Red Boundary

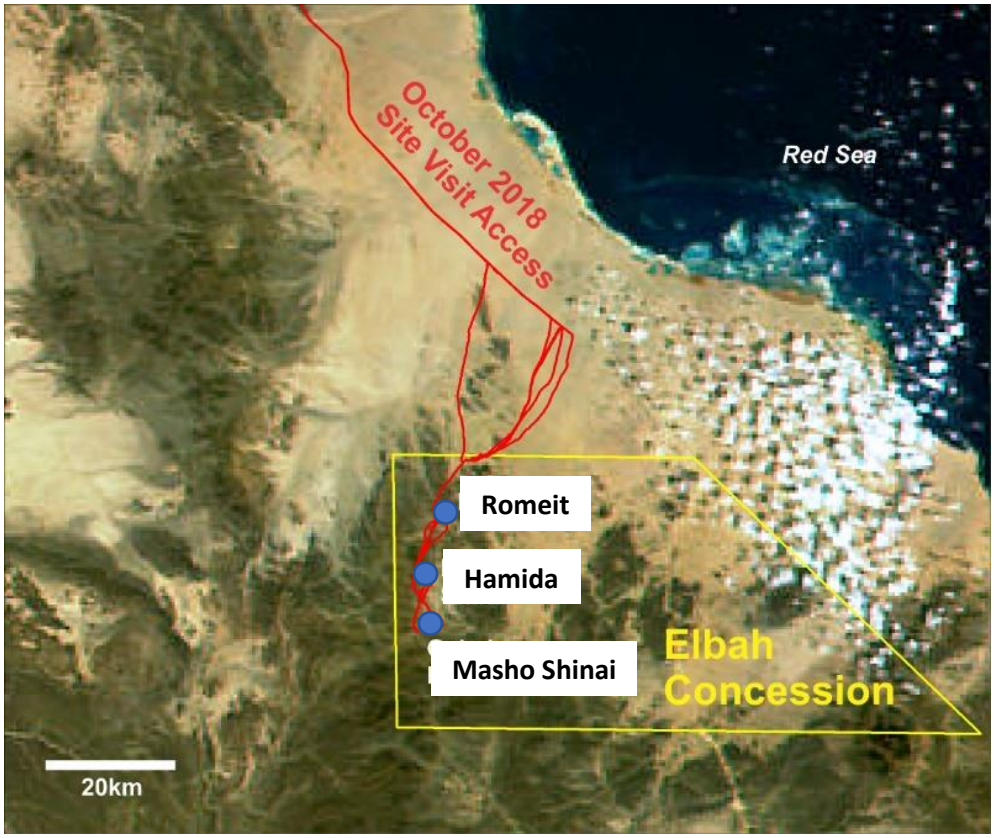

Fig 4. Typical Access to AFAQ Concession Area

2.2 Previous Work

The work program currently in progress conducted by AFAQ Mining is the first comprehensive work program within the Concession Area incorporating an integrated approach to mineral exploration employing modern methods.

The presence of many and widespread stone huts and gold processing artefacts are observed and identified as being early Arab in age i.e. dating from the ninth century (Klemm and Klemm, 2013). Oweiss et al (2004) distinguish between placer production identified as Arab (Islamic) and earlier quartz vein gold production (referred to as Pharaonic). Whatever period the artefacts belong to, they attest to the long history of gold exploration and development in the region. The extent and number of the structures dating from this period provide an indication of the effort expended to exploit the gold mineralisation available at and near surface.

Reference to work conducted in region near the AFAQ Elbah Concession Area is included in reports by Hume (1937) and El Shimy et al (1985) without detail of where the work was conducted.

A work program was conducted in 2003 by the Exploration Department of the Egyptian Geological Survey and Mining Authority (EGSMA - Expedition G2/2003). This program was

an extensive examination of the geology around the Romeit area covering a reported 35km^2. The work program included geological mapping, trenching, pitting, grab and channel sampling, evaluation of gold mineralisation in wadi deposits, estimation of size and gold grade of historic dumps. This work provides a useful and well documented basis for further evaluation of the area for economic mineralisation.

Subsequent to the EGSMA program intermittent site visits have been conducted by several companies – some as recently as 2017. This work consisted of reconnaissance scale mapping and ore particularly sampling presumably to evaluate the mineralisation for more extensive work. Except for work conducted by Nuinsco Resources Limited in 2016 and 2017, the results of this work are unavailable.

Artisanal workers are currently active in the area. Extensive mechanical disturbance of wadi fill sediments is evident. Locally excavations and trenching in outcrop has also taken place.

No previous work has been conducted on the site by AFAQ other than a site visit conducted in late October 2018 with the assistance of Shalateen Mineral Resources Company (SMRC). The intent of this work was to review the main gold showings in the area contemplated for inclusion in the AFAQ concession area.

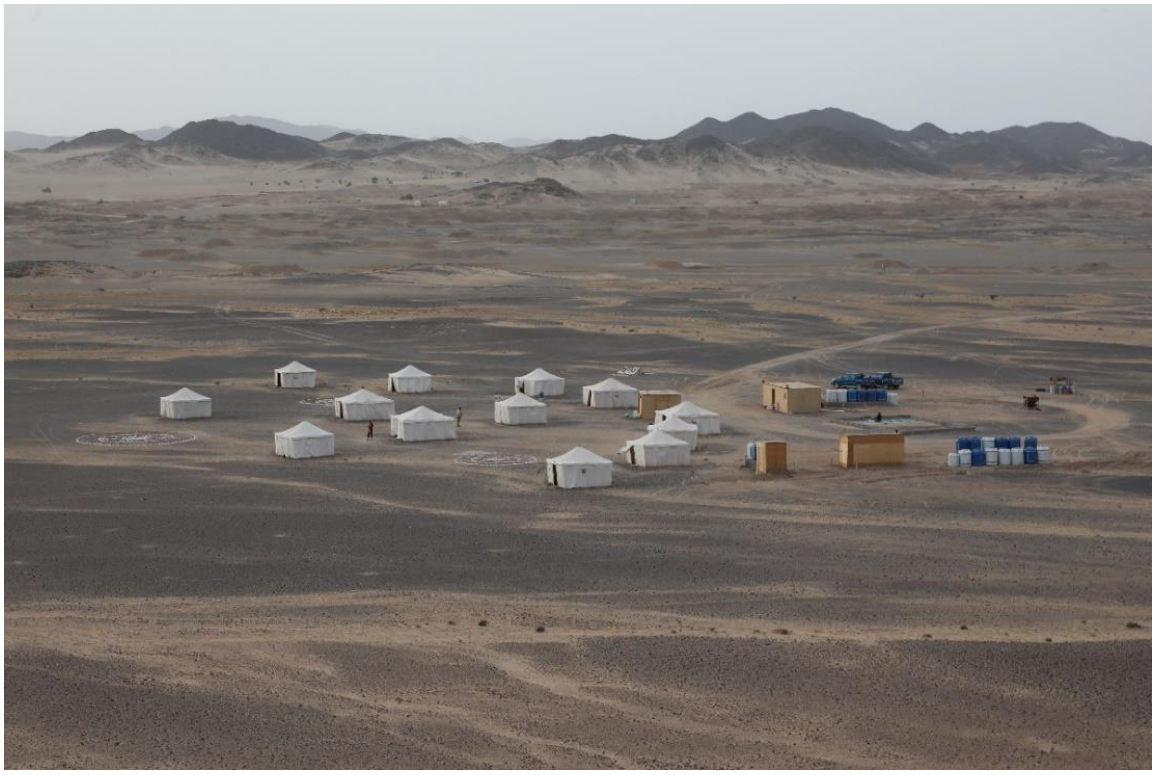

Fig 5. AFAQ Mining Camp Site – West Elbah Concession Area

2.3 Recent Exploration

AFAQ Mining has been conducting an active exploration program since the beginning of 2019. The intent of the work program is to comprehensively evaluate AFAQ's Elbah Concession Area using modern exploration techniques. Details of the work program will be detailed later in this report.

2.4 Work Completed During Previous Periods

2.4.1. Quarter 1

During Q1 the work program at the West Elbah Concession Area commenced. The following was conducted during the quarter (refer to Jones, 2019 for a complete listing of all work conducted):

1) Satellite Image Interpretation - an interpretation of Aster imagery was carried out over the AFAQ Elbah concession in the Eastern Desert of Egypt at a scale of 1:30,000. The study was undertaken in order to map lithology and structure, to identify any exposed alteration, and to understand controls on gold mineralisation. The area studied measures 619 km². The 1:30,000 scale study was based entirely on Aster imagery, without the use of field data. Higher resolution Digital Globe imagery was downloaded from Google Earth for the three areas of particular interest – Romeit, Hamida, Masho Shinai.

   Based on the known mineralisation elsewhere in the region, the following deposit models are applicable here:

   - quartz stockworks and veins in dilational shear structures cutting intrusives and adjacent mafic metavolcanics
   - zones of intense, possibly radial, fracturing in granite plutons, for example over concealed younger stocks
   - vein and contact deposits associated with late intrusions, particularly in trans-tensional zones

   Based on the results of this remote sensing study, the major regional structures controlling the movement of hydrothermal fluids are:

   - north-south extensional zones developed between pairs of north-northeast trending faults as a result of late left-lateral shearing, particularly where late intrusions were emplaced
   - northeast trending transtensional zones
   - the inferred north-northeast trending terrane boundary, particularly where rigid intrusive rocks are in contact with the main fault zone and the boundary is kinked

2) Mapping - the objective of the mapping program was to detail the local geology of the Romeit area at large scale (1:500), focusing on vein geometry and mineralisation, alteration associated with veining and structural features. Extensive sampling was conducted in conjunction with the mapping. The purpose of this work is to provide a basis for future detailed sampling, trenching and diamond drilling.

   North-south traverses employing the UTM grid was employed for field control – line spacing of 50m was employed as a basis for the traverses. In this way a total of 0.57 km^2 was covered over the Romeit occurrence. Standard international codes and nomenclature were used for the mapping.

   The field crew was tasked with systematically traversing the environs of the occurrence recording:

   a. Lithologies - mapping rock types with standardised nomenclature, relatively simple here as a limited number of lithologies underlie the subject area

   b. Structural domains/shear zones (including structural measurements). Mapping and measurement of shear zones and mylonite zones. Measurement of structural features – notably schistocity if present

   c. Alteration – record presence of alteration mineralisation. Minerals such as hematite, ankerite, chlorite, sericite have been noted to date.

   d. Detailed observations of veining. Mapping, measurement of orientation of all veining encountered (from cm to m scale veins).

   e. Metallic mineralisation - record any occurrence of metallic minerals, within veins or host rocks.

   f. Sampling – collect samples for analysis as appropriate.

3) Sampling - a sampling program was conducted in conjunction with the detailed field mapping. As traversing progressed samples were consistently collected from quartz veining, alteration zones and deformation zones. The intent of the sampling is to characterise the distribution of gold mineralisation. All analyses will be conducted by ALS Laboratories at their Rosia Montana, Romania facility.

   A total of 1000 samples were collected comprised of 879 grab samples, 42 standard samples, 40 field duplicate samples and 39 field blank samples. In total 458 samples were collected from alteration zones, 439 samples are from quartz veins, 17 samples are from deformation zones and 4 samples were collected from mafic dykes. No analytical results have been received as a of the date of this report.

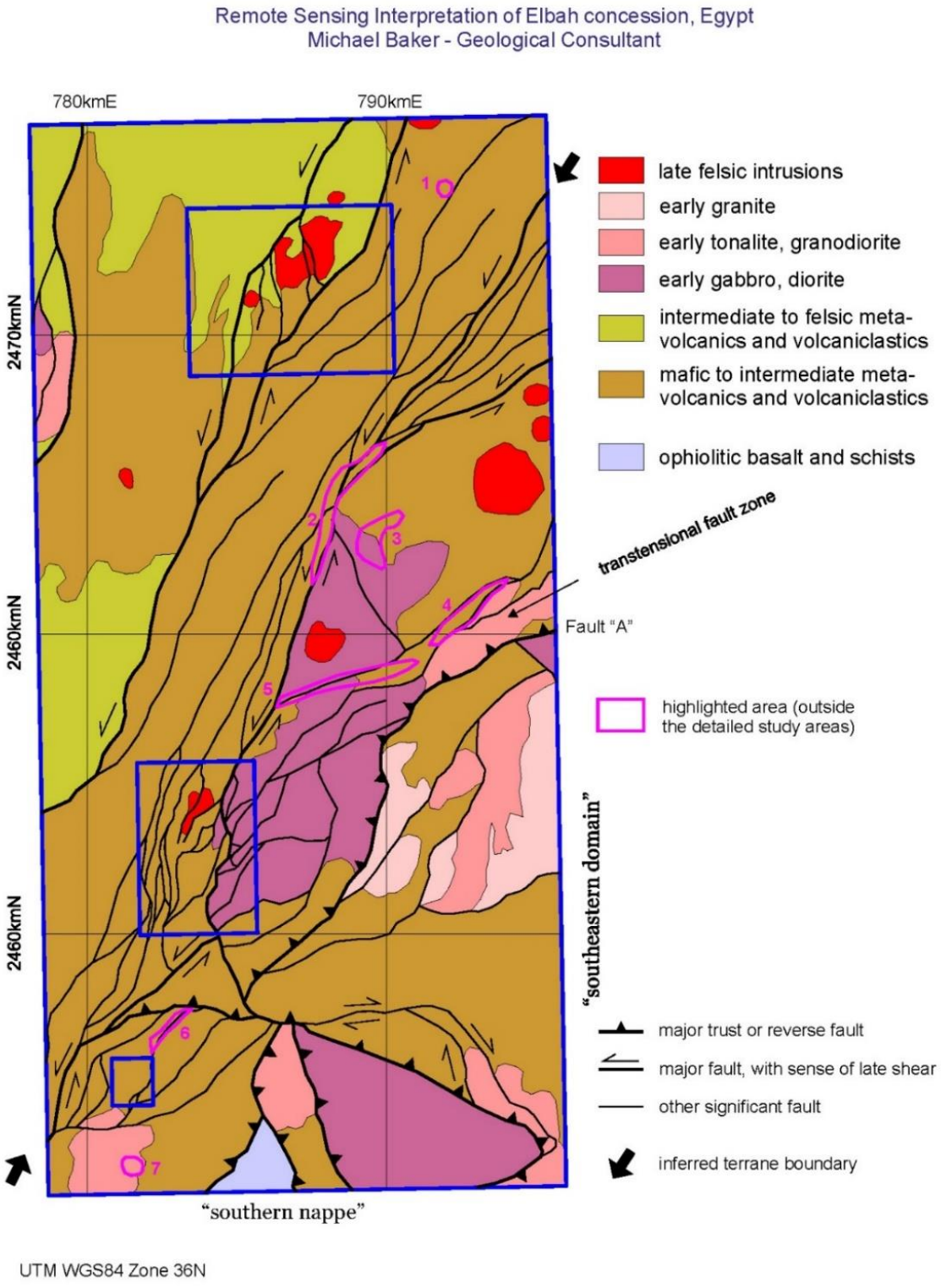

Fig 6. Satellite Interpretation Map Covering the Entire Extent of the AFAQ Elbah Concession Area.

2.4.2. Quarter 2

During Q2 the work program on the West Elbah Concession Area continued. The following was conducted during the quarter (see Jones and Giroux, 2109 for a more complete summary of work conducted):

1) Continuation and completion of the 1:500 detailed mapping of the Romeit occurrence started in Q1. By the end of the Q2 work period the entire Romeit occurrence area had been mapped in detail and a comprehensive grab-sampling program conducted. A smaller-scale mapping of areas peripheral to Romeit commenced to quickly evaluate the potential for gold mineralisation at some distance from the main Romeit mineralisation prior to moving to other areas of the Western Elbah Concession.

2) Limited reconnaissance sampling at Masho Shinai occurrence focussing on the zones of interpreted alteration /mineralisation identified in the satellite image interpretation completed in Q1.

3) Ongoing compilation and interpretation of all new geological and geochemical data.

4) Determination of the geophysical survey requirements for the Romeit area. Requests for proposals forwarded to several geophysical contractors.

5) Quality assurance and quality control (QA/QC) analysis of all samples collected during Q2. The results demonstrated that the sample standards and blanks inserted into the sample stream are returning predictable and reproduceable values in accordance with analytical expectations. This indicates that the analytical results for the grab samples provided by the ALS Romania laboratory are accurate and verifiable.

6) During Q2 a pilot study was initiated to evaluate the placer gold potential of alluvial sediments in the Romeit. Ten sites were selected in areas covered by alluvial sediment in an arc south and west of the Romeit occurrence gold mineralisation. The pilot study will test whether sufficient gold is present to warrant a more comprehensive evaluation. Samples collected will be processed at Overburden Drilling Management Ltd. (ODM) In Ottawa, Canada; a laboratory specialising in characterising gold and other mineralisation in sediment covered terrain.

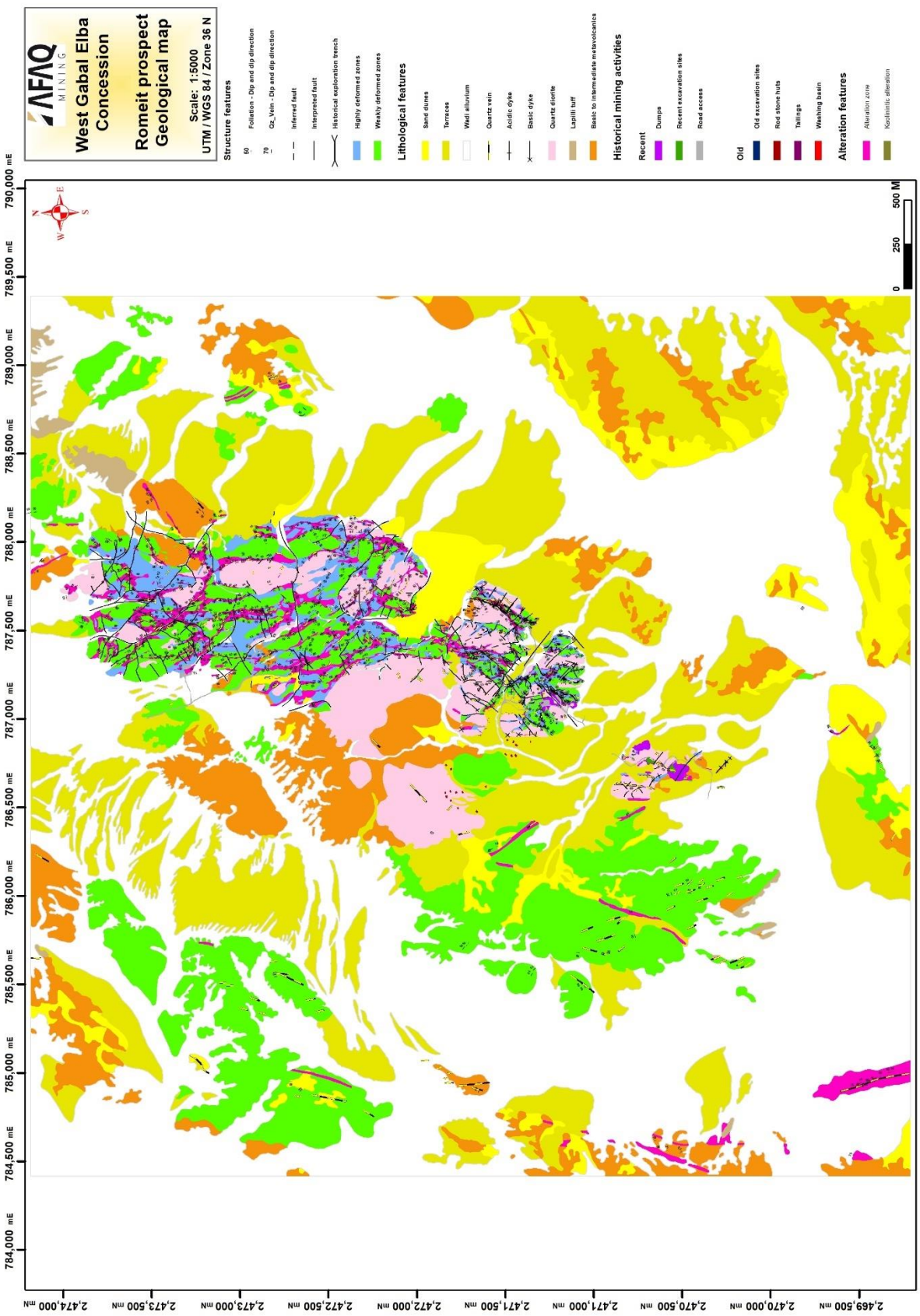

Fig 7. Extent of Mapping and Grab Sampling at the Romeit Occurrence (Q2)

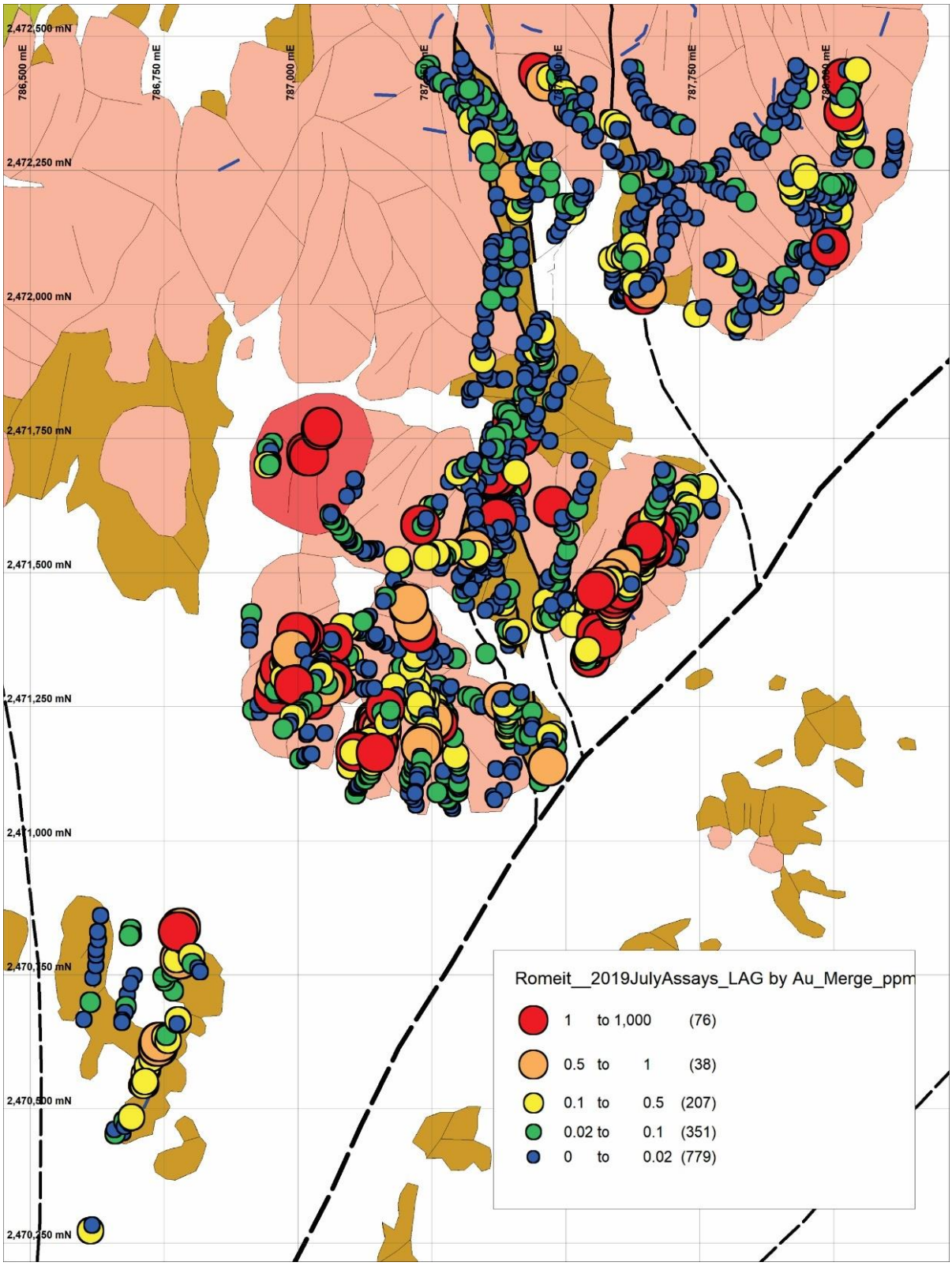

Fig 8. Domains of elevated values from Au analyses received to date (Q2)

3 Work Completed During Current Quarter (Q3)

3.1 Introduction

The third quarter of field work conducted by AFAQ Mining on the western Elbah Concession Area commenced in July 2019 and was a continuation of the Q1/Q2 field work expanding across the Elbah Concession. Field work was suspended during July and August to avoid the extreme heat of the summer. By the end of the Q3 work period the entire geologically mapped and sampled Romeit occurrence area had been digitised and all samples collected from the occurrence had been submitted for analysis – although analytical results for 1700 are still outstanding at time of writing. Also, during Q3 (September) field mapping and sampling expanded to commence coverage at the extensive, deformed, Hamida occurrence.

During Q2/Q3, following a request for proposals, several geophysical contractors submitted proposed work plans for a combined induced polarisation and magnetic survey of the Romeit occurrence. There followed discussion with the contractors regarding surveying requirements and logistics. The contractors were then ranked on their suitability to conduct the proposed work-program and proposals provided to Shalateen/EMRA.

Also, during Q2/Q3 discussions were held with Overburden Drilling Management Ltd. (ODM) regarding processing of alluvial samples for placer potential evaluation. A sample processing flow sheet was agreed for the proposed work – the alluvial samples collected have not yet been delivered to ODM.

To date through the end of Q3 there have been six work rotations for the field crew with 18 field-work days per rotation for a total of 108 work-days (and 12 travel days). Typically, three to four geologists work in the field and a GIS geologist works in camp preparing maps or in the field as needed. Support staff comprising five or six personnel assist the geologists in mapping and sampling.

3.2 Exploration Areas of Interest

The field work conducted on the western Elbah Concession during Q3 has now extended beyond the Romeit occurrence with the commencement of extensive coverage of the Hamida occurrence. The Hamida occurrence occupies terrane near the centre of the western Elbah Concession. To date approximately 1.75km^2 of large scale (1:1000) coverage has been completed. The Hamida occurrence is located approximately 15km south of the Romeit occurrence.

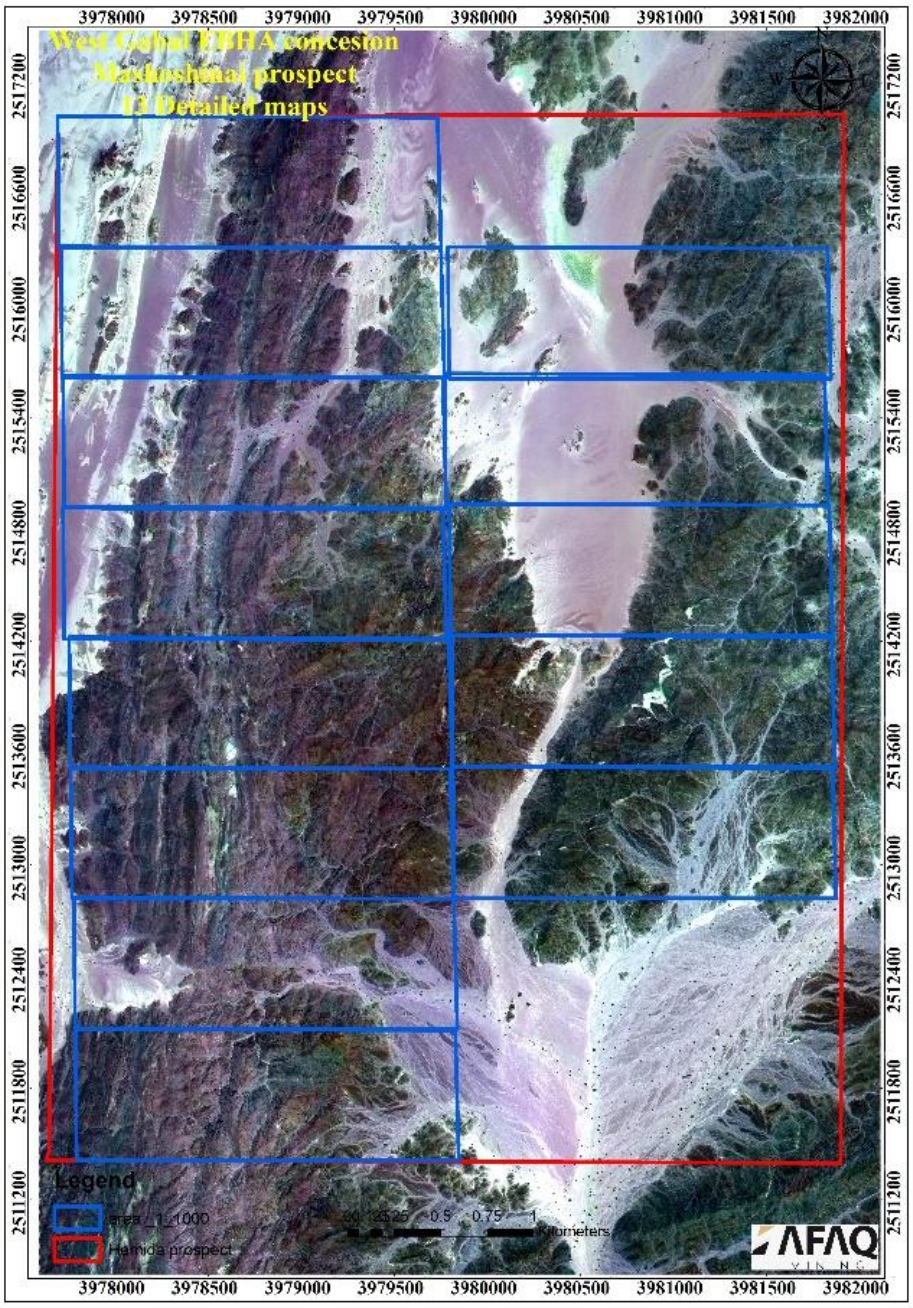

Fig 9. Hamida Occurrence and Planned Map Sheet Coverage

3.3 Data Compilation/Interpretation

All data acquired from the current work program, geological and geochemical, is compiled, tabulated and verified for accuracy in real-time. Field-maps are updated daily for timely conversion to digital version. Sample data is tabulated in the field with qualitative and

quantitative observations from the sample collection. This information will then be integrated with the results of the remote sensing study, other available data and analytical results as they become available to produce an interpretation for use in directing ongoing and future work.

At time of writing all Romeit area maps have been digitised and a suite are included in this report as Appendix A – however full completion of the maps will await receipt of the remainder of the analytical results (1300 still at the laboratory) to be delivered by ALS. None of the Hamida mapping has been digitised to date.

3.4 Mapping and Sampling

3.4.1 Overview

In Q3 (September) mapping commenced at the Hamida occurrence. Two map sheets comprising a total area of 1.75 km^2 were completed at a scale of 1:1000 during the work rotation. At time of writing digitising of these two sheets has not been completed. When all sheets are completed the entire Hamida showing will have been covered by geological mapping including areas identified from the satellite image interpretation conducted by Dr. M. Baker (Baker, 2018). Grab samples are subsequently collected by the field crew – all sites are georeferenced with handheld GPS receivers and a record of all pertinent geological characteristics is obtained for each sample. Samples are then bagged ready for shipment to the analytical laboratory (ALS Romania). While waiting shipment all samples are stored together in the AFAQ camp in purposed sample storage.

Although mapping at the Romeit occurrence was completed in Q2 grab sample analyses remain to be completed. Upon receipt a thorough interpretation of the entire Romeit occurrence will be possible and will form a basis for future work.

3.4.2 Sampling

Table 1 provides a summary of all analytical sampling conducted on the Western Elbah Concession at time of writing. All sampling will be added to digitised basemaps and incorporated into the geological /geochemical dataset to provide an interpretation for the purposes of directing the ongoing work program.

During Q3 sampling was conducted in conjunction with the Hamida occurrence field mapping. At time of writing 400 analytical samples have been collected from quartz veins and altered, deformed, rock – at present these samples are stored at the AFAQ field camp. The samples consist of 352 rock samples (RG), 16 standards (SD), 16 blank (FB) and 16 duplicate (FD). Of the combined 368 rock samples and field duplicates 162 samples were collected from alteration zones and 206 were collected from quartz veins.

Table 1. Q3 Tabulated Sample Update – All Samples

All Samples Collected to Date			
4,200	**Total Romeit samples**		
3,425	regular samples	2,125	assayed
		1,300	at laboratory
700	infill samples		assayed
10	alluvial samples		at Cairo office
50	geochemistry samples	XRF analysis	assayed
15		re-analysed by ICP	assayed
Hamida samples			
400	regular samples		Still in the field
Masho-Shinai samples			
75	reconnaissance samples		assayed

Results from 1300 analytical samples, collected from the Romeit occurrence, are still awaited. When received comprehensive analytical coverage will have been achieved at Romeit. The sampling will provide input to directing additional field surveys – for instance additional analytical sampling and geophysical surveys.

Grab samples are collected from each sample site (duplicate samples were collected for SMRC at their request). Each sample is approximately one kilogram in the weight. All samples are bagged in the field without further processing – all sample preparation (crushing and pulverising) is conducted at the analytical laboratory. All analyses will be conducted by ALS Laboratories at their Rosia Montana, Romania facility.

Quality assurance and quality control (QA/QC) samples are included in the sample stream and comprise field duplicates (FD), field blanks (FB) and standard samples (SD). Each 25-sample batch will contain three QA/QC samples inserted at random intervals (22 Regular samples + 3 QA/QC samples).

The analytical standards were acquired from CDN Resource Laboratories. The ore material used in the standard is ground and screened through a 270-mesh sieve. The -270 material (<53 micron) is thoroughly blended. A minimum of 150 sub-samples are then sent to Canadian and international commercial laboratories for round-robin analysis. Four standard samples have so far been inserted into the sample stream from Western Elbah sampling:

- CDN-GS-4E grading 4.19 ± 0.19 g/t Au
- CDN-GS-P4G grading 0.468 ± 0.052 g/t Au

- CDN-GS-P4H grading 0.501 ± 0.30 g/t Au
- CDN-GS-P5G grading 0.562 ± 0.054 g/t Au

Field blanks used to date consist of sandstone collected from outcrops near Marsa Alam.

All samples are analysed for gold using ALS Laboratories Au-AA23 analytical method, any samples with analysis exceeding the upper limit of Au-AA23 (10g/t Au) will be a reanalysed by Au-AA25. When analytical results are received additional analyses will be contemplated on select samples to evaluate the presence of other elements of possible economic interest and to characterise lithologies based on whole rock geochemistry; to date none of these analyses have been conducted.

The process of collecting, storing and shipping samples adheres to the following chain-of-custody process:

1) Samples collecting in the field and bagged
2) Samples stored securely in the AFAQ camp
3) All samples weighed to 1kg for onward delivery for analysis; duplicate sampled stored in camp
4) Sample tags inserted under supervision of geologist
5) Blanks, standards and field duplicates inserted into the sample stream
6) Rice sacks containing approximately 25 samples each a prepared for shipment
7) Sacks are transported to the AFAQ field office in Shalateen
8) Carrier contracted to AFAQ transports the sample sacks to AFAQ head office, Cairo
9) Shipping documents prepared
10) Samples forwarded to EMRA for examination and approval for shipping
11) Carrier contracted to AFAQ transports the sample sacks from EMRA to Cairo airport cargo shipping
12) Samples are sent by airfreight to Romania (usually by Egyptair or Turkish Airlines) to be collected by ALS Romania for delivery to laboratory

Appendices B through E of this report are for 1035 rock samples (RG), 47 field blanks (FB), 46 field duplicates (FD), and 47 standards (SD) from the Romeit Prospect collected during Q2 and submitted in June 2019. Results for these analyses were received in Q4 and their interpretation will be included in the Q4 report.

Additionally, results are reported in the appendices for 66 rock samples, 3 field blanks, 3 field duplicates, and 3 standards collected during reconnaissance sampling of the Masho Shinai prospect in Q2. Again these results will be discussed in the Q4 progress report.

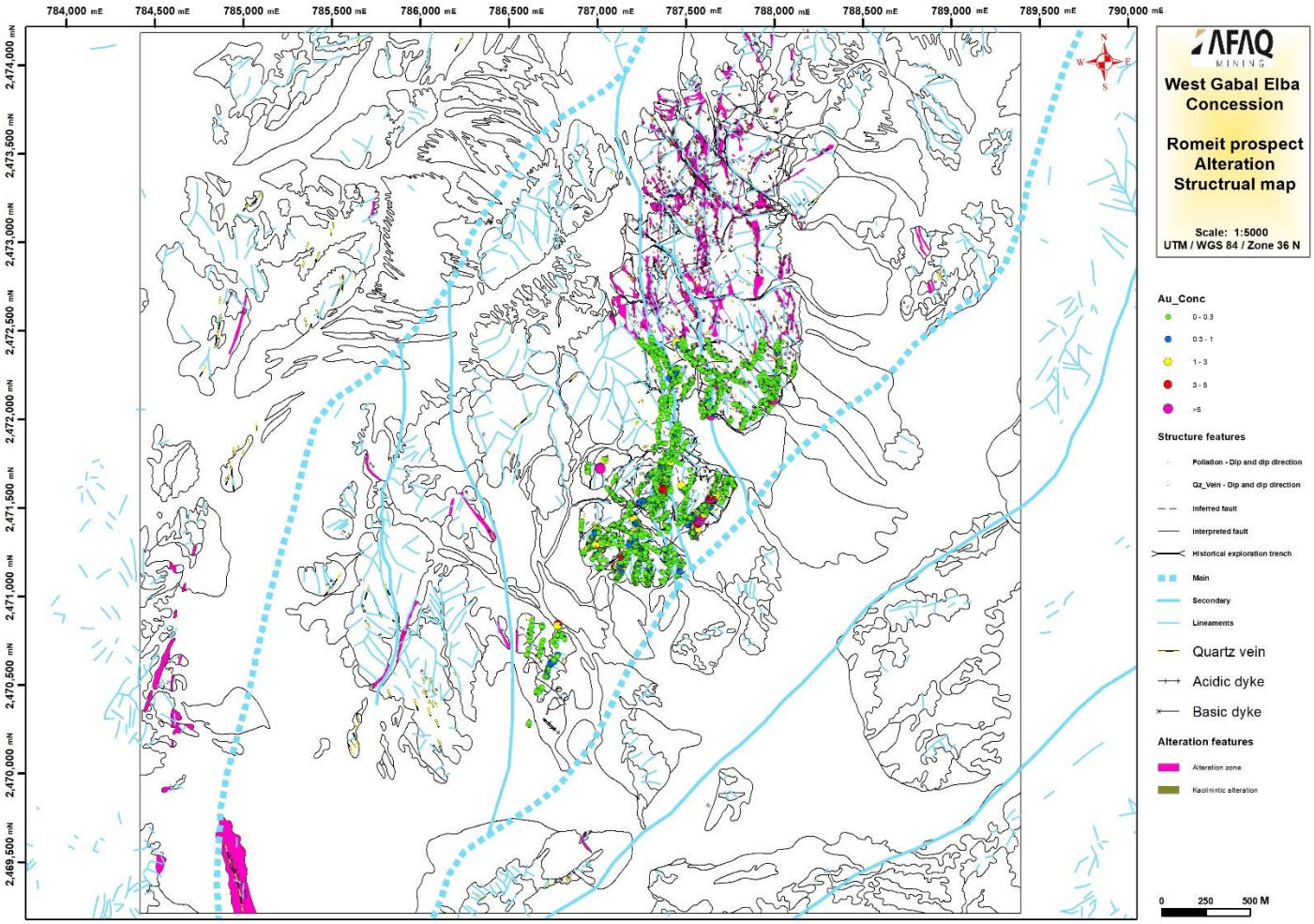

Fig 10. Romeit Occurrence Alteration and Sampling Map

Hamida Occurrence – Showing recently completed mapped areas and locations of analytical samples collected to date.

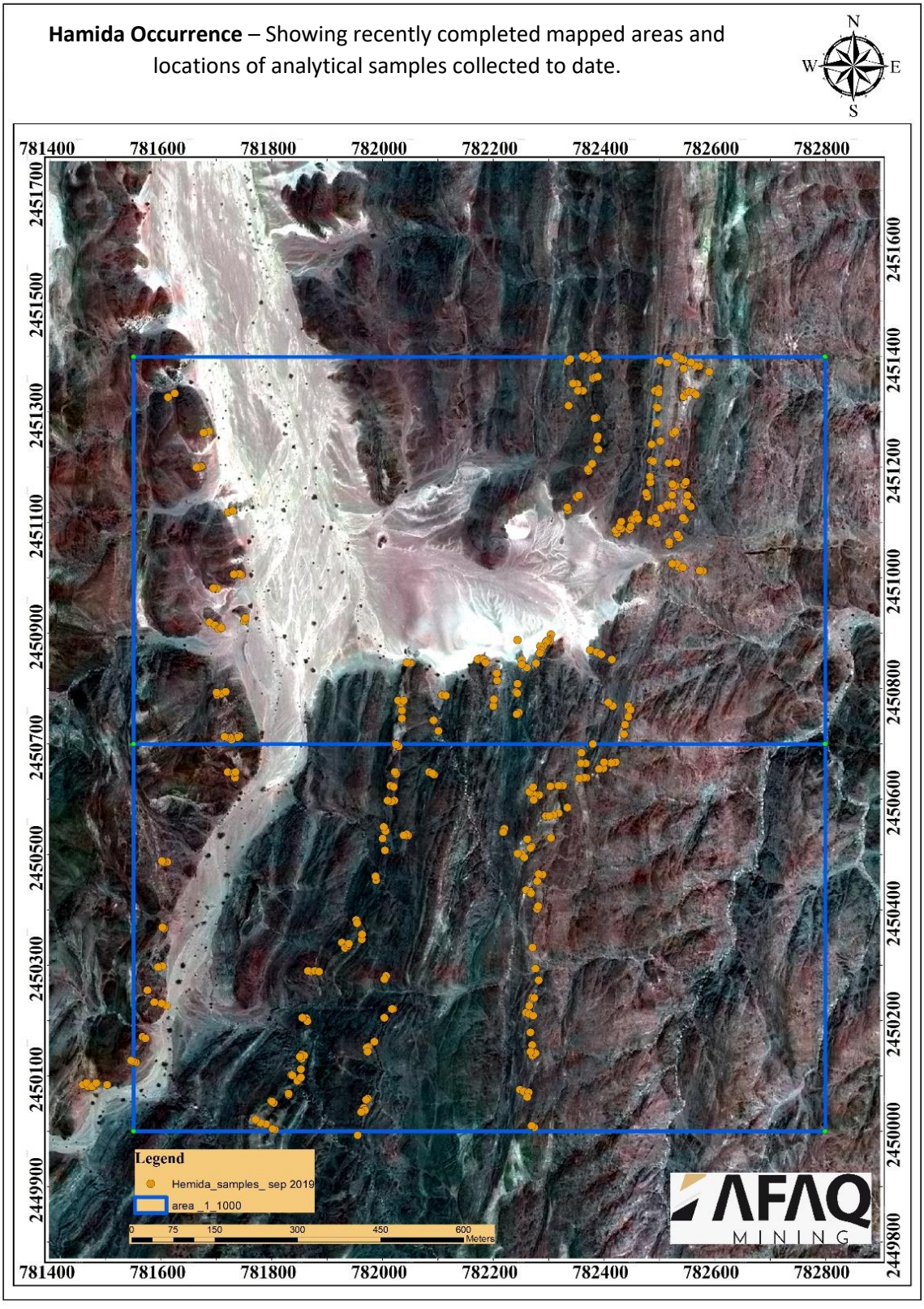

Fig 11. Hamida Sampling September 2019

3.4.3 Geology

Recent mapping at Hamida has traversed outcrops consisting of island arc meta-volcanic rocks and related meta-volcaniclastic rocks, meta-gabbro and deformed granite bodies. Domains of deformation have been observed that strike north to north-northeast that are clearly visible on satellite images. These domains are composed of variably foliated rock that dips east to south-southeast. The deformation comprises anastomosing bands that bifurcate and re-join across the mapped terrane. Occurring throughout the deformed domains are variably deformed quartz veins that typically dip steeply to moderately east to south-southeast.

For a more detailed description of the geology encountered on the Western Elbah Concession to date the reader is referred to section 3.4 in the AFAQ Q2 Progress Report (Jones and Giroux, 2019b). Further updates to the geological interpretation will be incorporated into the AFAQ Q4 Progress Report as mapping proceeds and geochemical analyses are received.

4 Proposed Work Program - Next Quarter

4.1 Ground Geophysics

Integral to the AFAQ work program will be geophysical surveys to evaluate the subsurface extension of the surface exposures of mineralised occurrences. Request for proposals have been forwarded to several geophysical contractors with at least five years' operating experience of (most much longer), verifiable work history and international experience. At Romeit the contemplated survey will comprise combined IP/Resistivity coverage employing multiple-line data acquisition and 3D-interpretation to provide coverage to a depth of 200+m. Conceptually a survey area of 1km^2 will be used for bid comparison purposes however the survey coverage necessary to adequately evaluate the Romeit occurrence will likely be considerably larger. The survey should: detect and discriminate targets related to potential mineralisation, alteration, lithology and structures; discriminate between large, potentially greater tonnage targets and small, non-economic targets; complement near-surface information for integrated diamond drill targeting. A ground magnetic survey will be conducted in conjunction with the IP/Resistivity survey.

Assuming selection of a geophysical contractor proceeds without delay the anticipated commencement of geophysical surveying is November 2019. The duration of the survey will likely be approximately one month although several factors can affect the work schedule.

4.2 Mapping

Mapping will continue and coverage will be expanded at the Hamida Occurrence until the entire area has been mapped – a total of approximately 18-20 km^2. The Masho Shinai area will also be mapped as well at least seven areas elsewhere in the Concession Area that have been identified from the remote sensing study (Baker, 2019) completed in Q1 – these areas will be examined.

4.3 Sampling

The rock sampling program will continue as an integral part of the mapping and geological characterisation of the Western Elbah Concession Area.

Opportunistic grab samples will continue to be collected as necessary when field crews traverse lithologies and mineralisation considered to be prospective for gold mineralisation.

Channel sampling may well be conducted, particularly if it is deemed to be advantageous with respect to subsequent diamond drilling. Continuous sampling would be conducted along linear profiles traversing significant domains of veining, alteration and shearing identified from mapping. The channel samples would likely be collected with hammer/chisel although saw cut samples may be, at least in part, preferable. Sampling should be continuous and will typically be no more than 1-1.5m length per sample although lithological boundaries will be respected that will affect sample length in places.

4.4 Alluvial Sample Processing

Ten samples each consisting of approximately 30kg of alluvium were collected in Q2 from locations peripheral to outcrop at the south end of the main Romeit occurrence. Near to the Romeit occurrence small-scale operations are exploiting the wadi fill sediments for gold – demonstrating the potential for a larger scale operation. The intention is to process the samples collected to determine their potential for gold mineralisation. Processing and analysis will be conducted by Overburden Drilling Management Limited at their Ottawa, Canada, laboratory. Should the results of the pilot study be positive a comprehensive work program will be mounted to evaluate the potential for an alluvial/placer operation. Such a program would entail trenching and pitting and likely reverse circulation drilling.

5 Personnel

AFAQ Mining personnel responsible for the implementation, management and supervision of the work program at the Elbah are listed below. The work program is conducted by a field crew consisting of four geologists under the supervision of the Project Manager. The work program is being conducted to a high standard and is regularly vetted via QA/QC procedures. Additional support staff assist with the work. In total approximately 16 people work in the field camp when all support, service staff and drivers are included. The field crew works on a 20-day on-site (two days travel) and 10-day off-site rotation. As previously noted to date through Q1 and Q2 there have been five work rotations for the field crew with 18 field-work days per rotation for a total of 90 work-days (and 10 travel days) - therefore, a total of approximately 165 field person-days has been spent in the field producing the existing maps and samples (this does not take into account support personnel in the camp or the personnel at the AFAQ field office in Shalateen).

Mostafa Elbahr	-	AFAQ Mining Chairman
Ahmed Bassouiny	-	AFAQ Mining CEO
Ragab Elbanna	-	Project Manager
Mohamed Darweesh	-	Senior Geologist
Islam Helal	-	Geologist
Mostafa Mohamad	-	Geologist
Hassan Mohy	-	Geologist/GIS Geologist
Paul Jones	-	Geologist/Consultant
Laura Giroux	-	Geologist/Consultant
J.M. Franklin	-	Geochemist/Consultant

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7 Signatures

Paul Jones, P.Geol
15 October 2019

Laura Giroux, P.Geo.
15 October 2019