

Gold and Diamonds



REPUBLIQUE DU CAMEROUN
Paix – Travail – Patrie

MINISTRE DES MINES, DE L'INDUSTRIE
ET DU DEVELOPPEMENT TECHNOLOGIQUE

SECRETARIAT GENERAL

DIRECTION DE L'INDUSTRIE

N° 000042

MINMIDT/SG/DI

REPUBLIC OF CAMEROON
Peace – Work – Fatherland

MINISTRY OF MINES, INDUSTRY
AND TECHNOLOGICAL DEVELOPMENT

SECRETARIAT GENERAL

DEPARTMENT OF INDUSTRY

Yaoundé, le 24 FEV 2016

LE MINISTRE,
A
MONSIEUR LE DIRECTEUR GENERAL DE
LA SOCIETE GRANULAT DU CAMEROUN
(GRACAM S.A. BP 3582)
Yaoundé-Cameroun

Objet : Accord d'accompagnement pour la
mise en place d'une unité de production
de bitume au Cameroun

Monsieur le Directeur Général,

Faisant suite à l'audience qu'a bien voulu vous accorder Monsieur le
Secrétaire Général du Ministère des Mines, de l'Industrie et du Développement
Technologique en date du 23 février 2016, relativement à l'affaire portée en objet,

J'ai l'honneur de vous transmettre à toutes fins utiles, le compte rendu, lequel
mentionne l'approbation de votre projet de construction d'une unité de bitume au
Cameroun, pour les besoins de développement des infrastructures routières,
portuaires et aéroportuaires.

Des correspondances vous indiquant les modalités de soutien et
d'accompagnement du Gouvernement, en vue de la mobilisation de vos
partenaires techniques et financiers pour le projet, vous parviendront en temps
opportun.

Je vous prie de croire, **Monsieur le Directeur Général**, à l'assurance de ma
parfaite considération./-

Pour le Ministre des Mines, de l'Industrie
et du Développement Technologique
et par Délégation
Le Directeur de l'Industrie


Ministère des Mines, de l'Industrie et du Développement Technologique
Ingénieur Agro-Economiste

REPUBLIQUE DU CAMEROUN
PAIX-TRAVAIL-PATRIE

MINISTRE DES MINES, DE L'INDUSTRIE
ET DU DEVELOPPEMENT TECHNOLOGIQUE

SECRETARIAT GENERAL

DIRECTION DES MINES

SOUS-DIRECTION DU CADASTRE MINIER

REPUBLIC OF CAMEROON
PEACE-WORK-FATHERLAND

MINISTRY OF MINES, INDUSTRY
AND TECHNOLOGICAL DEVELOPMENT

SECRETARIAT GENERAL

DEPARTMENT OF MINES

SUB-DEPARTMENT OF MINING CADASTRE

ARRETE N° 02518 / MINMIDT/SG/DM/SDCM DU 07 APR 2015
PORTANT INSTITUTION D'UN PERMIS DE RECHERCHE VALABLE POUR FER ET
SUBSTANCES CONNEXES

**LE MINISTRE DES MINES, DE L'INDUSTRIE
ET DU DEVELOPPEMENT TECHNOLOGIQUE,**

- Vu** la Constitution ;
- Vu** la loi n° 001 du 16 Avril 2001 portant Code Minier, modifiée et complétée par la loi n° 2010/011 du 29 juillet 2010 ;
- Vu** le décret n° 2002/648/PM du 26 mars 2002 fixant les modalités d'application de la loi n° 001 du 16 avril 2001 suscitée ;
- Vu** le décret n° 2014/1882/PM du 04 juillet 2014 modifiant et complétant certaines dispositions du décret n° 2002/648/PM du 26 mars 2002 fixant les modalités d'application de la loi n° 001 du 16 avril 2001 ;
- Vu** le décret n° 2014/2349/PM du 01 août 2014 modifiant et complétant certaines dispositions du décret n° 2014/1882/PM du 04 juillet 2014, modifiant et complétant certaines dispositions du décret n° 2002/648/PM du 26 mars 2002 fixant les modalités d'application de la loi n° 001 du 16 avril 2001 modifiée et complétée par la loi n° 2010/011 du 29 juillet 2010 portant Code Minier ;
- Vu** le décret n° 2005/260 du 15 juillet 2005 portant organisation du Ministère de l'Industrie, des Mines et du Développement Technologique ;
- Vu** le décret n° 2011/408 du 09 décembre 2011 portant organisation du Gouvernement ;
- Vu** le décret n° 2011/410 du 09 décembre 2011 portant formation du Gouvernement ;
- Vu** le décret n° 2012/432 du 1^{er} octobre 2012 portant organisation du Ministère des Mines, de l'Industrie et du Développement Technologique ;
- Vu** la demande soumise, en date du 09 septembre 2014, par la société **LES GRANULATS DU CAMEROUN (GRACAM) B.P. 3 582 YAOUNDE – CAMEROUN** ;

ARRETE :

Article 1^{er}.- Il est attribué à la société **LES GRANULATS DU CAMEROUN (GRACAM) B.P. 7 792 DOUALA – CAMEROUN**, sous réserve des dispositions législatives et réglementaires en vigueur, un permis de recherche dénommé **EVOUZOK**, valable pour fer et substances connexes.

Article 2.- Le permis EVOUZOK, inscrit sous le numéro **367** dans le Registre Spécial de la Direction chargée des Mines, est valable pour une durée initiale maximale de trois (3) ans. Il est renouvelable deux (2) fois pour des périodes de validité de deux (2) ans chacune.

Article 3.- Le permis EVOUZOK donne le droit exclusif et inaliénable à la société LES GRANULATS DU CAMEROUN (GRACAM) de conduire des travaux de recherche sur toute la superficie du permis.

Article 4.- (1) Le permis EVOUZOK est constitué d'un seul bloc dont les coordonnées géographiques (ellipsoïde WGS 84, degrés décimaux) des sommets sont les suivantes :

Sommets	A	B	C	D	E
X	10,237	10,390	10,523	10,598	10,429
Y	2,177	2,344	2,401	2,357	2,179

(2) La superficie du permis EVOUZOK est réputée égale à quatre cent soixante onze (471) km².

Article 5.- Les propositions du programme des travaux à réaliser pendant la durée de validité du permis EVOUZOK ont été approuvées par le Ministre chargé des Mines. A cet effet, la société LES GRANULATS DU CAMEROUN (GRACAM) s'engage à réaliser les travaux ci-après :

1^{ère} année :

- synthèse des travaux géologiques et miniers existant sur la zone du permis ;
- analyse et interprétation des images satellitaires et mise en corrélation des résultats avec les dispositifs structuraux révélés par les cartes géologiques ;
- acquisition des données géophysiques aéroportées ;
- travaux de reconnaissance et de cartographie géologiques et minières au 1/50 000^e ;
- prospection géochimique systématique à maille lâche (200 m * 200 m) et serrée (50 m * 50 m) associée à des prélèvements d'échantillons aux fins d'analyses ;
- définition des zones-cible.

2^{ème} année :

- réalisation de puits et tranchées sur les cibles identifiées ;
- campagne de levés géophysiques terrestres sur les cibles définies ;
- campagne de sondages de reconnaissance sur les cibles définies.

3^{ème} année :

- campagne de sondages à maille serrée ((50 m * 50 m) ;
- estimation des ressources inférées ;
- réalisation de l'étude d'impact environnemental et élaboration d'un plan de gestion environnemental ;
- étude de faisabilité (étude technico-économique) préliminaire.

Article 6.- L'engagement financier minimum souscrit pour réaliser les travaux de recherche programmés pendant la durée de validité du permis EVOUZOK s'élève à **six cent cinquante millions (650 000 000) de francs CFA**, soit **cent cinquante millions (150 000 000) de francs** pour la première année, **deux cents millions (200 000 000) de francs** pour la deuxième et **trois cents millions (300 000 000) de francs** pour la troisième.

Article 7.- La société LES GRANULATS DU CAMEROUN (GRACAM) s'engage à :

- procéder en présence d'un représentant du Cadastre Minier, au levé et bornage du périmètre objet dudit permis dans un délai de trente (30) jours suivant l'attribution du permis ;
- déposer auprès du Conservateur des titres miniers, un certificat de cautionnement garantissant l'exécution de ses obligations dans un délai de trente (30) jours suivant l'attribution du permis ;
- exécuter l'ensemble des travaux prévus au programme soumis et approuvé et rendre compte au Ministre chargé des Mines, de l'évolution de ses activités ; à ce titre, il lui fera parvenir chaque année des rapports semestriels et un rapport annuel, tous assortis des dépenses acceptables afférentes audit permis ;
- entreprendre, dans les limites raisonnables, toute réparation ou compensation des dommages causés aux tiers au cours de l'exécution de ces travaux dans le cadre du présent permis de recherche ;
- élaborer un règlement relatif à la sécurité, à la santé et à l'hygiène valable pour la durée des travaux envisagés et le soumettre préalablement à l'approbation du Ministre chargé des Mines ;
- s'acquitter des redevances superficielles annuelles et de tout autre droit fiscal requis conformément à la réglementation en vigueur.

Article 8.- Les dispositions de confidentialité qui régissent le présent permis de recherche sont celles prévues par la loi et la réglementation en vigueur.

Article 9.- La société LES GRANULATS DU CAMEROUN (GRACAM) ne peut entreprendre des travaux d'exploitation des substances minérales dans le périmètre de son permis de recherche sans avoir au préalable obtenu des titres miniers y afférents. Toute tentative d'exploitation dans les formes contraires à la loi entraîne l'annulation du permis EVOUZOK.

Article 10.- Les activités relevant du permis EVOUZOK sont placées sous la tutelle du Ministre chargé des Mines. Le suivi administratif et le contrôle technique de ces activités sont exercés par la Direction de la Géologie. A cet effet, le responsable local et les membres du personnel chargés des opérations minières apportent toute l'assistance nécessaire aux ingénieurs et agents habilités.

Article 11.- (1) Les analyses des échantillons de roche collectés s'effectuent au Cameroun. Toutefois, la société LES GRANULATS DU CAMEROUN (GRACAM) pourra expédier des échantillons à des fins d'analyse dans les laboratoires spécialisées à l'extérieur du Cameroun après obtention d'une attestation d'expédition d'échantillons de roches délivrée par le Ministre en charge des Mines.

(2) Les résultats desdites analyses seront impérativement communiqués à la Direction de la Géologie.

Article 12.- En cas de renouvellement du permis EVOUZOK, la demande devra parvenir au Ministre chargé des Mines quatre vingt dix (90) jours avant la fin de la période en cours. Elle doit comporter tous les renseignements utiles sur l'activité menée au cours de la période écoulée, notamment le niveau d'exécution des travaux à réaliser ainsi que la carte précisant la zone objet de la renonciation en vertu des dispositions de la loi.

Article 13.- (1) Toute infraction à la réglementation minière pendant la durée de validité du permis EVOUZOK dûment observée par les agents de l'Administration en charge des Mines commis à cet effet fera l'objet de pénalités conformément aux dispositions réglementaires en vigueur.

(2) Le non-respect des dispositions contractuelles ci-dessus indiquées entraînera la déchéance du présent arrêté.

Article 14.- Le présent arrêté, qui prend effet pour compter de sa date de signature, sera enregistré et publié au Journal Officiel en français et en anglais./-

07 APR 2015

Ampliations :

- SG/PR
- SG/PM
- MINFI (DGFI DGTCFMA)
- DGSN
- SED
- GOUV/SU
- DR/MINMIDT/SU
- DR/SN/SU
- INTERESSE
- CHRONO

**LE MINISTRE DES MINES, DE L'INDUSTRIE ET
DU DEVELOPPEMENT TECHNOLOGIQUE**



Emmanuel Bondé

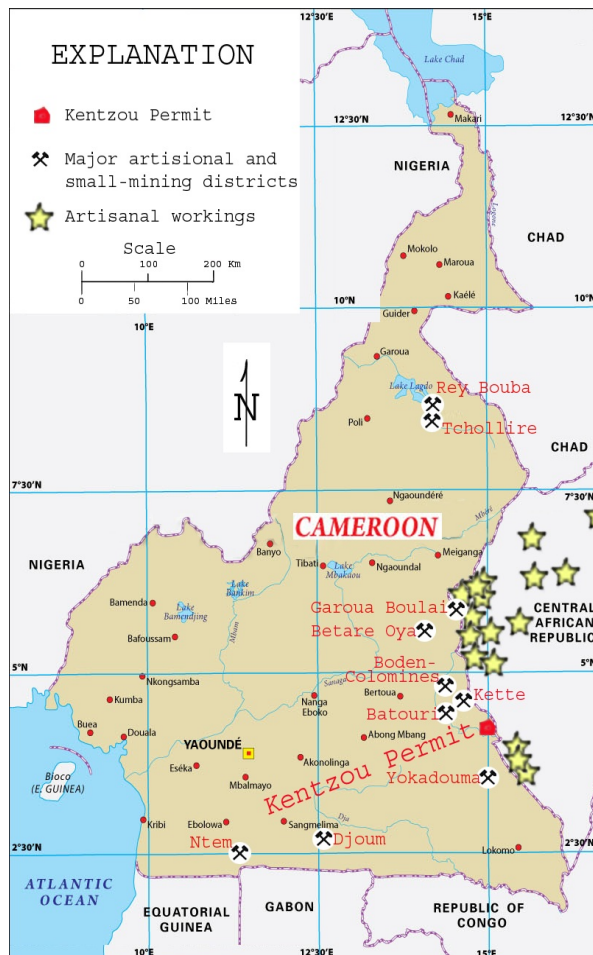
PROTOCOL INTERNATIONAL, INC.

P. O. BOX 17863
BOULDER, CO 80308-0863

(303) 682-5413

Preliminary report concerning the exploration of the Kentzou Permit in Cameroon

Prepared for Graqua Industries USA
by Charles H. Miles, Ph.D.
December 11, 2017



This is a preliminary report concerning the exploration and evaluation of the Kentzou Permit, Cameroon. It includes conclusions from available reports and maps of the area, and recommendations for continuing work. The Kentzou Permit is located along the east border of Cameroon (fig 1) and is just north of the Kadey River.

Currently there are no major placer gold operations in the country of Cameroon. There are about 140 known gold deposits which produced 16,653 kilograms (535,406 ounces) of gold between 2010 and 2015 (Karuri, 2016); most of the mining is performed by artisanal workers (fig 1). Ten major gold mining districts, six of which are located in East Cameroon (fig 1), have been recognized in the country (Bakia, 2014).

No detailed geologic map of the permit area has been found. However the geologic map of Cameroon (Gazel, 1956, scale of 1:1,000,000) indicates that metamorphic and intrusive igneous rocks of Precambrian age make up the basement.

Figure 1. Map showing the Kentzou Permit, reported artisanal and small-scale gold mining districts in Cameroon, and gold workings in nearby Central African Republic. Base is modified after *Cameroon Latitude and Longitude*, by Maps of World.

In the Batouri district, about 80 kilometers west-northwest of Kentzou, gold mineralization occurs within northeasterly trending zones in basement rocks of the type that sub-crop in the Kentzou Permit. Artisanal workings, some as large

PROTOCOL INTERNATIONAL, INC.

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Please find attached three sheets for use the in the exploration of the Kentzou Permit, Cameroon as follows:

Pit and cleanup sheet

One sheet per test site. This sheet is used to describe each test site and then it is transported by courier along with the concentrates to the cleanup laboratory where the yield results are posted on the same sheet.

millimeter grid for photographs

The recovered gold should be placed on this grid sheet and photographed. Copies can be printed in black-and-white or color.

Data transmittal sheet

A check list for items to be distributed to:

Those company recipients approved by Graqua Mining Cameroon PLC
and to
Protocol International, Inc.

as 20 meters wide and 20 meters deep, are found in a sixteen-kilometer long zone (Avesoro Resources, 2017). Active artisanal mining is reported in Kette, Boden-Colomine, and Bétaré Oya (Acecameroon.com, 2016). These districts are north of the Kentzou Permit (fig 1).

During the middle of November 2017, five sample sites were selected, excavated, and sampled in stream valleys of the Kentzou Permit (Ebaku and Mbiatso, 2017). Their locations are shown on figure 2. At each site a pit was hand dug and the basal gravel was sampled twice, in the following manner:

- one composite sample of the gravel layer and
- one pan sample consisting of the sieved minus-one-millimeter fraction.

Two additional samples were collected at site 05:

- eluvial material near a quartz vein discovered at the bottom of the pit and
- a solid piece of a quartz vein.

The samples have been sent for various analyses but the results are not yet available. Selected statistics concerning these sample sites are in the table below.

Site number	Elevation in meters	Depth of pit in meters	Thickness of basal gravel in meters	Volume washed in cubic meters
01	588	1.7	0.3	0.2
02	600	1.3	0.2	0.2
03	599	1.3	0.2	0.2
04	594	3.25	0.75	0.2
05	595	1.5	0.05	0.06

In these five sites the sediment layer is usually less than two meters thick and the basal gravel material, one-half meter. At site 04 the thicknesses of the sediment layer is 2.5 meters and the gravel, 0.75.

Mr Alfreddie Johnson Jr forwarded aliquots of all five pan samples and a quartz rock which is a cube measuring 11 centimeters along each side and weighing about 4 kilograms. The quartz rock is vuggy white quartz coated with orange brown clay. Some of the vugs are half-millimeter sized and clean; they look to be left from small sulfide crystals, probably pyrite, which were leached away completely. There are several large vugs, some more than a half centimeter across, which are full of orange brown clay. The pan specimens are being saved pending the analytical results of all of the samples.

The Kentzou Permit includes an area of about 490 square kilometers. There are two distinct drainage basins on the property. The north basin is 300 square kilometers in size and the south basin

is 190. Access to the village of Kentzou is by way of an unpaved road, shown in red on figure 2. This road marks the divide between the two basins, or watersheds. Within the north basin the rivers flow east-southeasterly but in the south watershed, southerly.

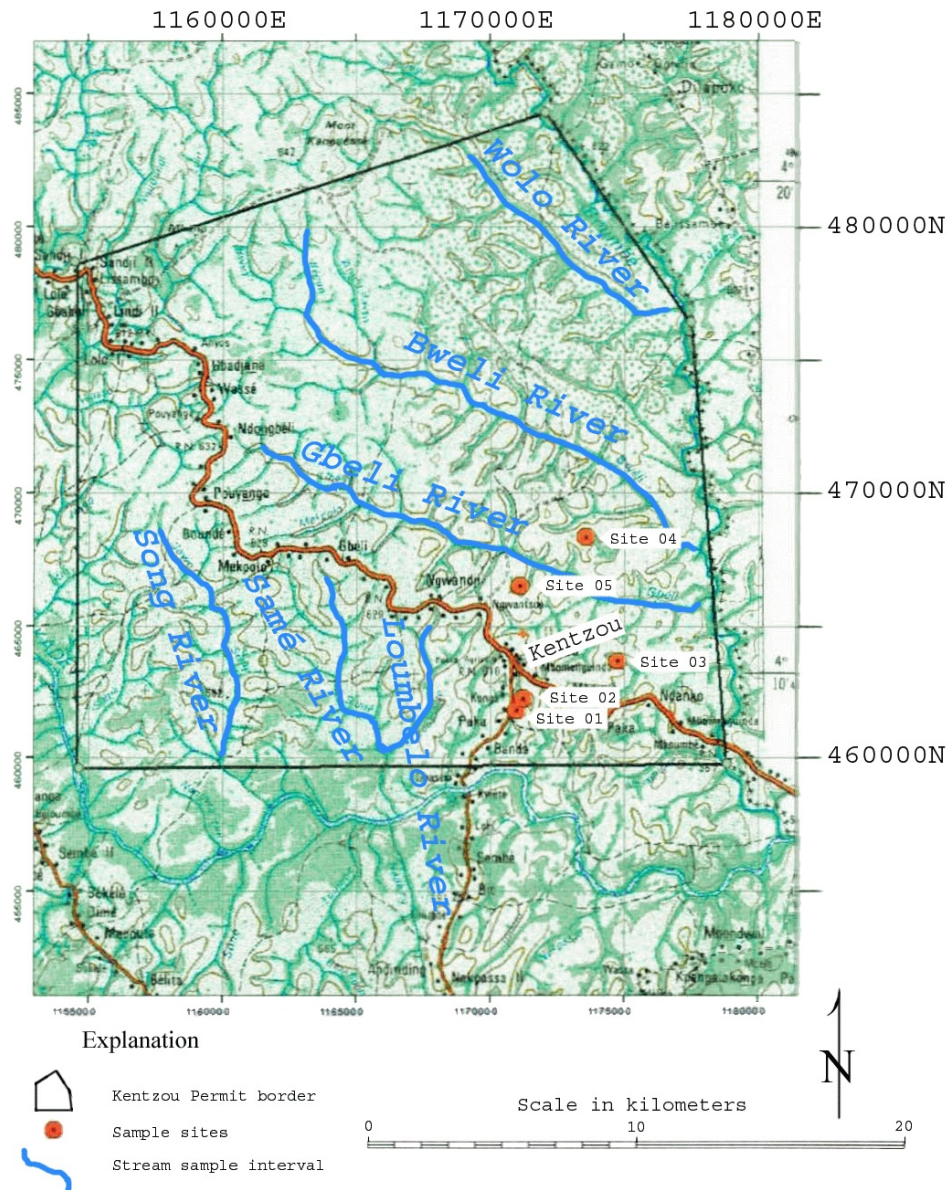
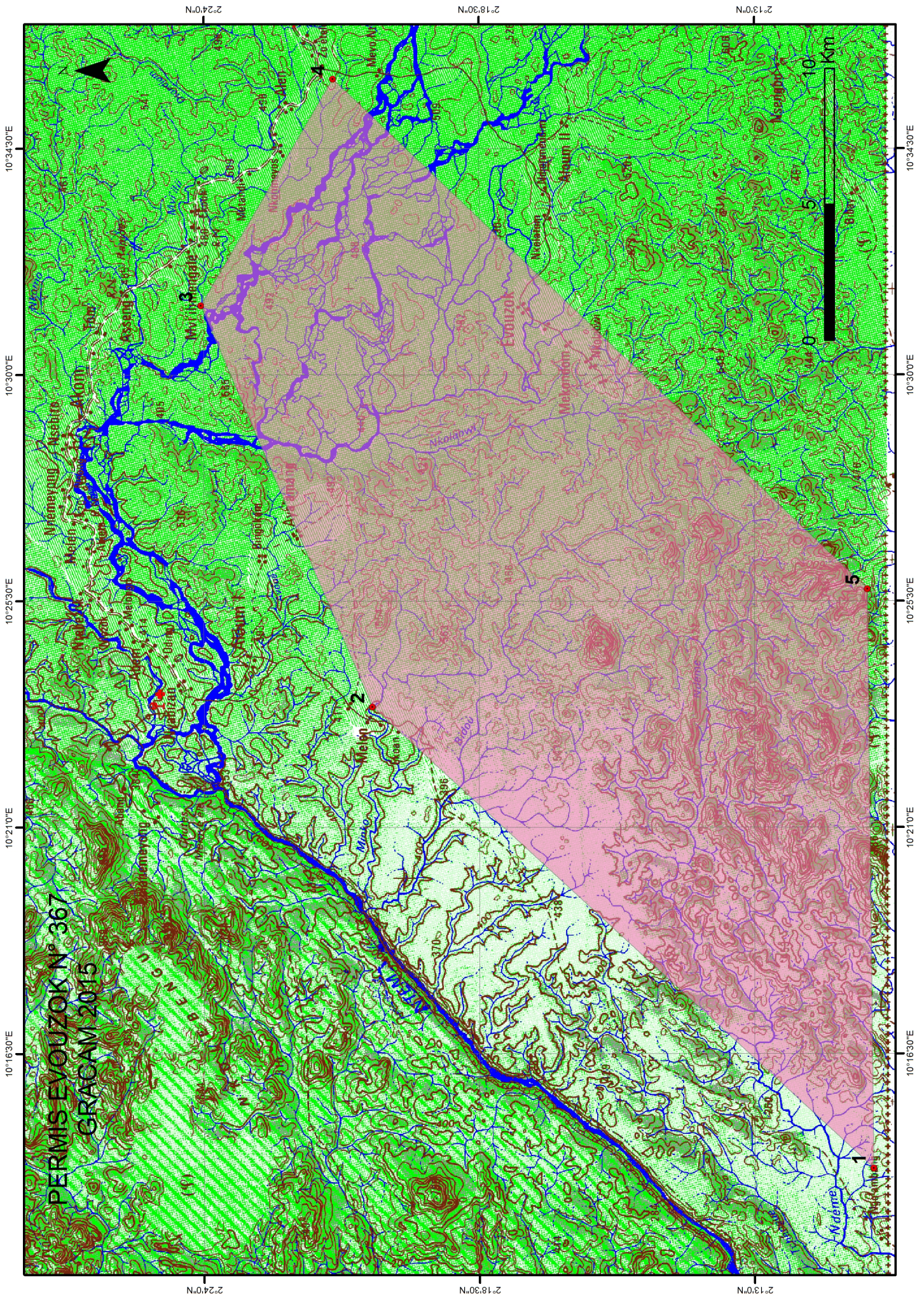
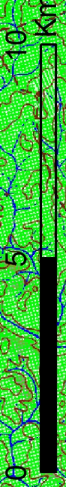


Figure 2. Map of the Kentzou Permit. Shown are the sites (red circles) which were sampled in November 2017 (Ebaku and Mbiatso, 2017). The base map is from page 6 of the same report. The heavy blue lines mark the extent of the stream valleys to be sampled during the Phase 2 exploration program suggested by Dr Miles in the November 13, 2017 report, *Proposal for the Graqua Kentzou Mine Project, Cameroon*.



PERMIS EVOUZOK N° 367
GRACAM 2015



5

1

2

3

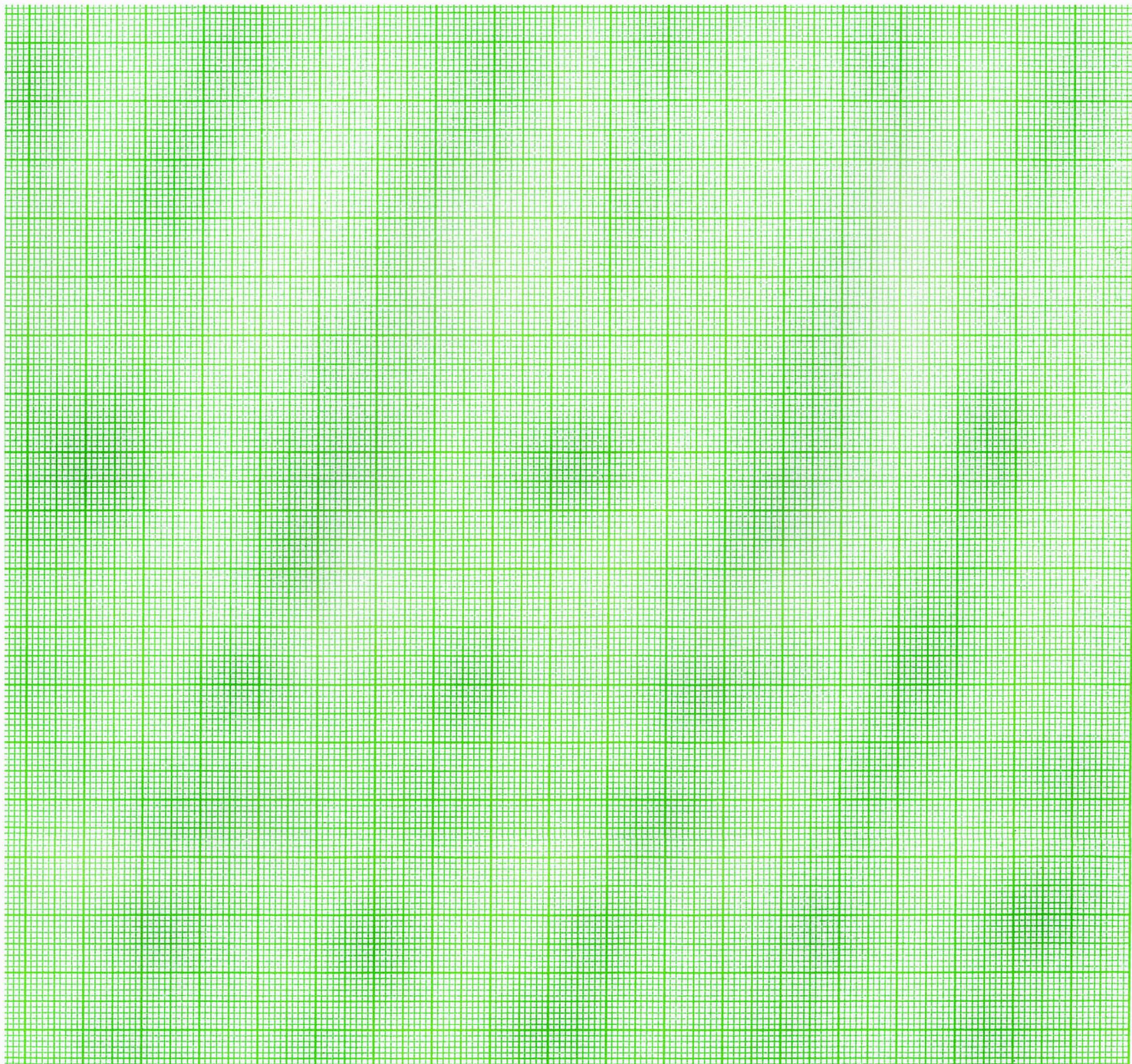
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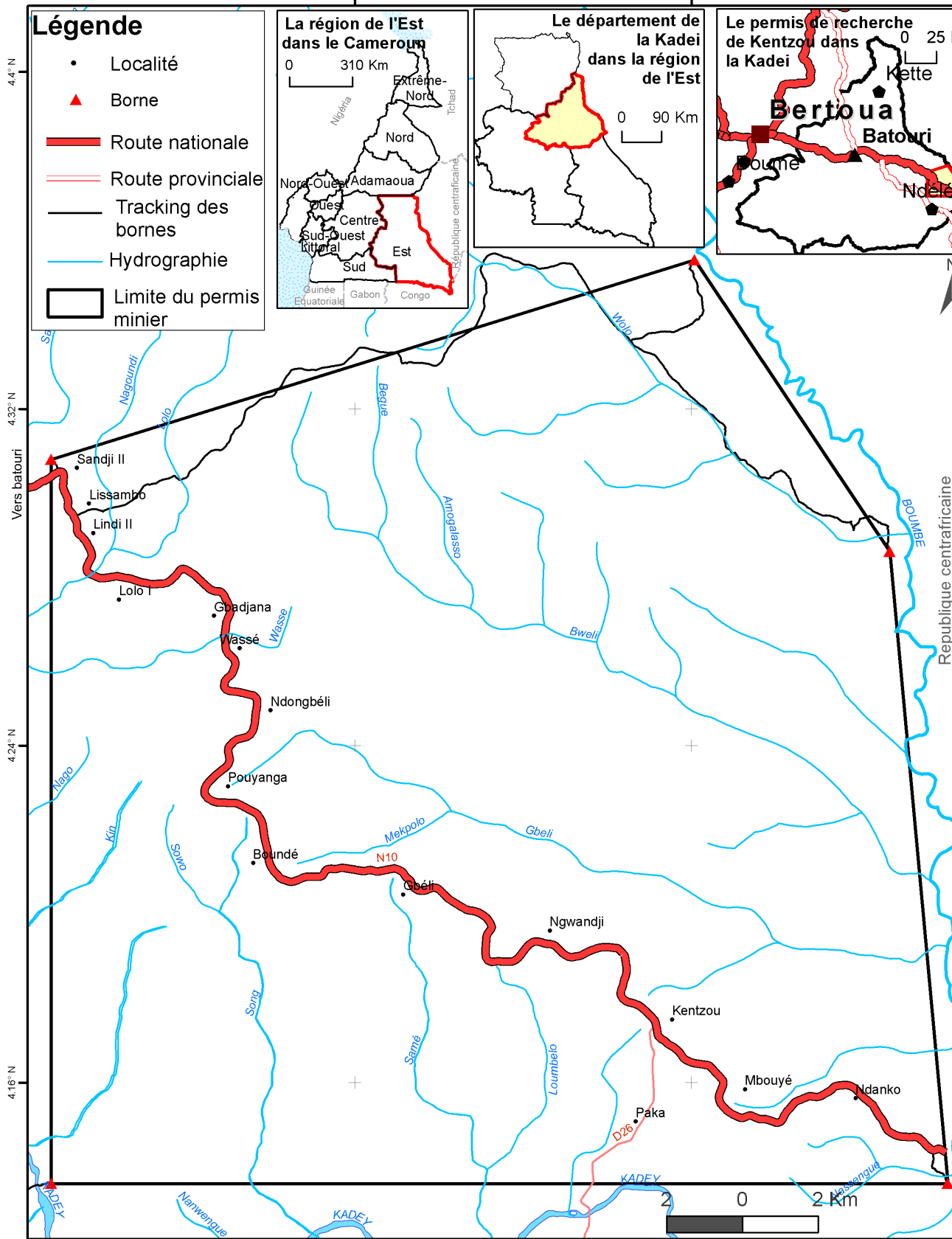
5

KENTZOU PERMIT

Gold recovered

millimeter grid for photographs

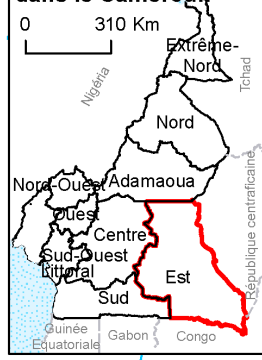




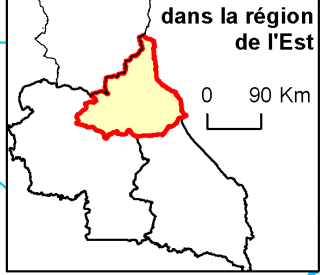
Légende

- Localité
- ▲ Borne
- Route nationale
- Route provinciale
- Tracking des bornes
- Hydrographie
- ▭ Limite du permis minier

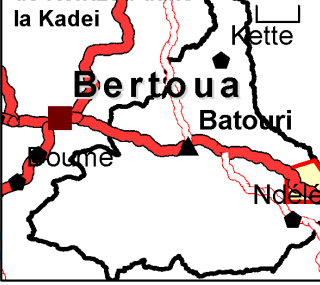
La région de l'Est dans le Cameroun



Le département de la Kadei dans la région de l'Est



Le permis de recherche de Kentzou dans la Kadei



4.4° N
4.32° N
4.24° N
4.16° N

Republique centrafricaine



The base map of figure 2 includes a ten-kilometer UTM grid; the datum used in Cameroon is named *Douala 1948 AOF West*. All the stations mentioned in this report are identified by UTM coordinates; GPS units are meters and always list the North values before the East.

Within the Kentzou Permit there is no recorded history of mining, or even exploration, for gold. Thus, there are no areas of known gold mineralization – areas that might be expected to be most prolific producers – and the entire 490 square kilometers must be considered in the current study. Six river bottoms within the Kentzou Permit are to be tested for gold-bearing placer material. The thick blue lines on figure 2 delineate the extent of the river valleys to be sampled. The table below lists the approximate locations for the ends of these sample lines. These lines are to be sampled at 100 meter intervals. Progress will be monitored by this writer not only to offer advice in case problems arise but also to ensure that best practices in sample collecting and evaluation are followed.

Stream name	GPS coordinates, metric system		length of sample line, in meters	estimated number of pits
	up-stream end	down-stream end		
Wolo River	4 82720N 11 69270E	4 96850E 11 76780E	10,000	100
Bweli River	4 80000N 11 63170E	4 67820N 11 77930E	20,800	210
Gbeli River	4 71680N 11 61460E	4 65480N 11 78830E	20,400	205
Song River	4 68580N 11 57640E	4 60000N 11 60000E	18,000	180
Samé River	4 66860N 11 63770E	4 60200N 11 66110E	9,000	90
Loumbelo River	4 65000N 11 67730E	4 60200N 11 66110E	6,000	60

The proposal is to complete this phase of exploration in five months, or about 20 weeks (Miles, 2017) but it is prudent to be flexible and ready to institute changes based on newly achieved results. The type of sampling to be employed depends on the availability of people and equipment and on the type and stability of the sedimentary material. The safety of the workers is a paramount consideration. Recent work proves that rectangular pits can be dug to a depth of 3.25 meters in the

December 11, 2017 Preliminary Report concerning the exploration of the Kentzou Permit
page 5 of 6

Kentzou area (Ebaku and Mbiatso, 2017, p 6). Round pits about one-half meter across can be sunk a bit deeper than the square ones and are more stable and thus safer when the pits are expected to exceed four meters of depth. For prospecting depths greater than 8 or 10 meters, drilling will be necessary. Banka drills are available in the 6 and 8 inch (15 and 20 centimeter) sizes; the latter are motorized.

As estimated from the table on page 4, this testing phase will include about 850 pits. To finish in 50 weeks then, about 20 sites should be tested during each week. The depth of each pit will vary except in the fact that it always is an unknown figure until the basement is actually reached. One crew should be able to excavate about six meters of depth per day; that could be two shallow holes. It might be necessary to organize one crew and train it before forming a second. In such a case the length the time allotted to this phase of the program would need to be increased.

All of the material excavated from each site will be concentrated in an area as close to the test site as feasible. The technique to be used in this early exploration phase is a choice between panning – one man can wash up to one cubic meter of material each day – and sluicing – one sluice can handle about five cubic meters per day. The wash crew has to be large enough to keep up with the excavators. No unwashed material or concentrate product should be left unattended.

The concentrates from each site will immediately be transported by courier to a secure laboratory for immediate cleaning. The recovered gold will be weighed, photographed, and placed in individual packets, such as jeweler's flutes. All gold will be kept under lock and key and regularly transported to an off-site secure place. An experienced cleanup technician should be able to process and document about 10 concentrate samples per day; it is important to be careful and precise as well as close-mouthed.

All stages of the testing will be supervised by trustworthy persons. Photographs or videos will document some of the activities. A pocket-sized, 16-or-more megapixel digital camera can be used to take photographs and even videos suitable to document that good and reasonable practices have been employed and that the results are true and verifiable. Close-up photographs of the recovered gold will require a digital camera with "macro mode" capabilities.

For each test site all work sheets will be scanned and the digitized copies, along with pertinent photographs and videos, will be placed in a computer "folder" marked with the site identification and then sent via the internet to those persons approved by Graqua Mining Cameroon PLC and to this writer. A large-volume file transfer system will be required so that these data can be received and reviewed by all parties in a timely manner. It is important that all information be held company confidential and that the number of people who need to know be limited.

Protocol International, Inc. will be responsible for maintaining a set of master files with all of the Cameroon-in-country documentation. When required, these files can be copied in house and the copies forwarded to an approved designated party for review.

Selected References:

Acecameroon.com, 2016, Summary of the actual gold potential in Cameroon: 4 p.

Avesoro Resources, 2017, Operations/Cameroon/Batouri: Avesoro.com, 5 p.

Bakia, Mbianyor, 2014, East Cameroon's artisanal and small-scale mining bonanza, how long will it last: *Futures* v 62 part A (October), p 40-50.

Gazel, J., 1956, Carte géologique du Cameroun: Societe nouvelle de cartographie, Paris, scale 1:1,000,000.

Karuri, Ken, 2016, Cameroon's booming small-scale gold miners: Africanews.com, 1p.

Matthysen, Ken and Clarkson, Iain, 2013, Gold and diamonds in the Central African Republic: International Peace Information Service, Antwerp, 35 p.

Melloh Ebaku, Puis and Mbiatso, Theodore, 2017, Sampling report of Kentzou Permit by Gracam: ETS Geological Assistance report, 12 p.

Miles, C. H., 2017, Proposal for the Graqua Kentzou Mine Project, Cameroon: Protocol International, Inc., 2p.

Mitang, J. C., 2017, Written report of the geological and mining prospection field trip in the Gravcam area of search permit Kentzou: Regional Delegation of Mines, Industry and Technological Development, 3 p.

PROTOCOL INTERNATIONAL, INC.

P. O. BOX 17863
BOULDER, CO 80308-0863

(303) 682-5413

Assay results of seven samples taken in November 2017 within the Kentzou Permit

Prepared for Graqua Mining Cameroon PLC
by Charles H. Miles, Ph.D.
January 31, 2018

The seven samples from the Kentzou Permit were forwarded to Protocol International, Inc by Rev Alfredie Johnson Jr in November 2017 and then sent to Skyline Assayers and Laboratories in Tucson Arizona. The fire assay results, reported in grams per metric ton (g/Mt), are as follows:

	Element		Gold	Silver
	Units		g/Mt	g/Mt
	Limit of detection		0.03	3
<u>Item</u>	<u>Site</u>	<u>Sample</u>		
1	01	GCOO1B (pan concentrate)	80.20	9
2	02	GCOO2B (pan concentrate)	201.00	37
3	03	GCOO3B (pan concentrate)	47.70	8
4	04	GCOO4B (pan concentrate)	271.00	14
5	05	GCOO5 Alluvium`	5.08	< 3
6	05	GCOO5 Quartz rock	1.09	< 3
7	05	GCOO6B (pan concentrate)	446.00	72
8		GCOO1B duplicate	79.40	8
9		GCOO6B duplicate	459.00	73

See figure 1 for the locations of the sample sites.

Samples # 8 & # 9 are duplicates which were run by Skyline Assayers and Laboratories as internal checks against their work. The difference between # 7 and # 9 is only 3 percent and well within the expected error from sampling.

The above assays prove definitely that gold is present on the Kentzou Permit property.

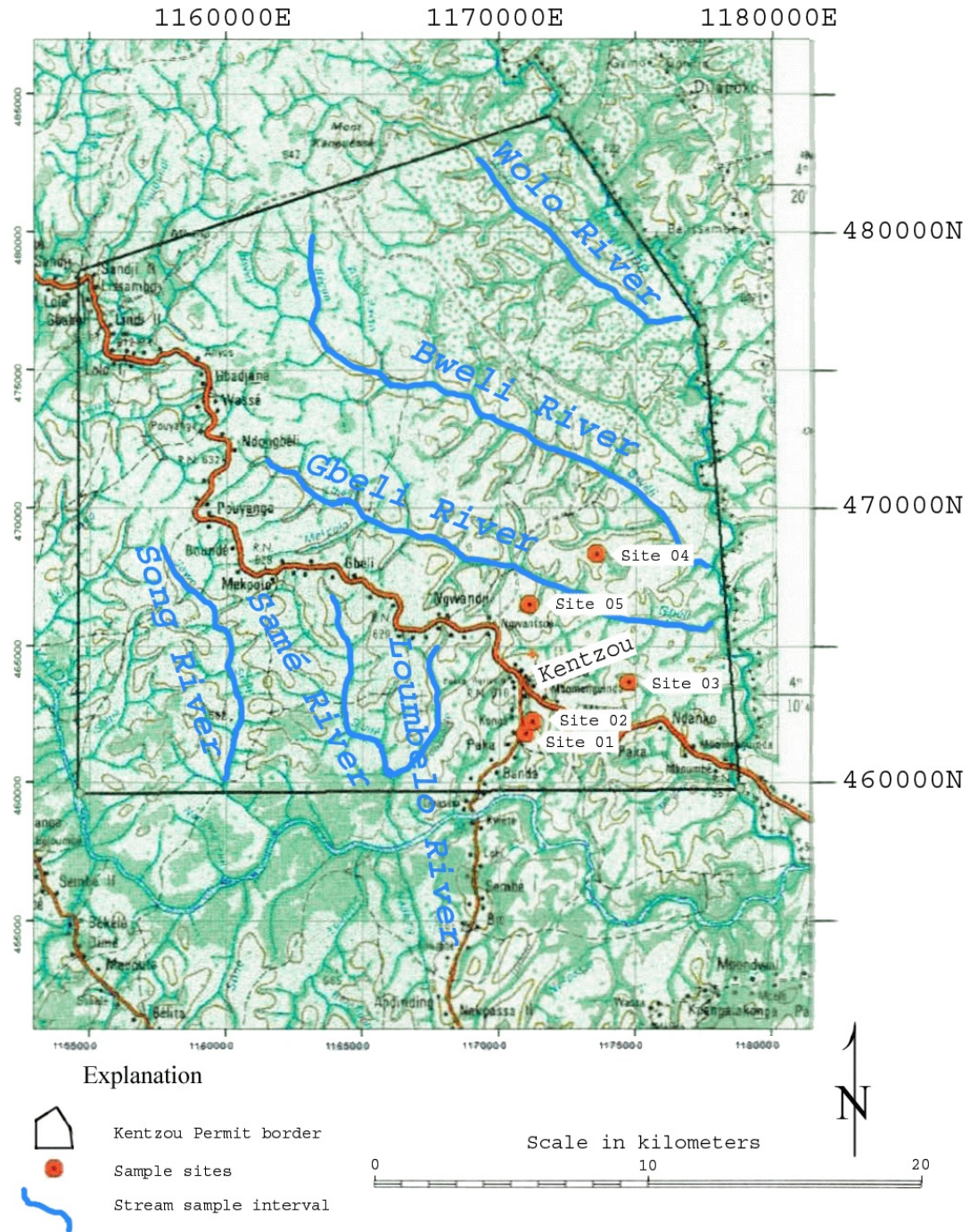


Figure 1. Map of the Kentzou Permit. Shown are the sites (red circles) which were sampled in November 2017 (Ebaku and Mbiatso, 2017). The base map is from page 6 of the same report.

January 31, 2018, Assay results of seven samples taken in November 2017

page 3 of 3

The purpose of this current evaluation and exploration program is to determine whether gold is present in quantities that can be placer-mined at a profit. The values of samples of placer materials are reported in terms of weight of gold (in grams) per in-place volume (cubic meter) of unconsolidated material, usually gravels or soils.

The above samples, except for the quartz rock, arrived wrapped in plastic. This writer did not unwrap these in order to avoid contamination and, as well, to preserve their integrity. No gold was observed during the visual examination of these samples. They measured about 3 cm (centimeters) in diameter and 7 cm in length and weighed about 175 grams each. The samples from sites 01 through 04 are the pan concentrates recovered from 0.2 cubic meters of gravels (Melloh, Puis, and Mbiatso, 2017, p 6). Below are the estimated values of the sampled placer material.

Site	Sample	Gold Assay g/Mt	Estimated Gold grams/sample	Estimated Gold grams per cubic meter	Estimated Gold value US \$ per cubic meter
01	GCOO1B	80.20	0.012	0.06	\$ 2.50
02	GCOO2B	201.00	0.030	0.15	\$ 6.25
03	GCOO3B	47.70	0.007	0.04	\$ 1.65
04	GCOO4B	271.00	0.041	0.21	\$ 8.75
05	GCOO6B	446.00	0.067	0.34	cannot calculate

In this report the price of gold is taken as (US)\$ 1,300 per troy ounce. Currently it is almost \$ 40 higher but last year it was often \$ 50 lower. Since there are 31.103 grams per troy ounce, a gram of gold is considered herein to be worth \$ 41.80.

Selected References:

Melloh Ebaku, Puis and Mbiatso, Theodore, 2017, Sampling report of Kentzou Permit by Gracam: ETS Geological Assistance report, 12 p.

Mitang, J. C., 2017, Written report of the geological and mining prospection field trip in the Gravcam area of search permit Kentzou: Regional Delegation of Mines, Industry and Technological Development, 3 p.

KENTZOU PERMIT

Data transmittal sheet

sample N 4 _____ , E 1 1 _____

Copy all data – data sheets, photographs, and any additional notes. Place these data into folder identified by line number/hole number

- Pit and cleanup sheet.
- Data transmittal sheet, filled out one for each site.

Photographs of pit List photograph number

- Initial
- Finished
- Pit bottom

Gold recovered Yes No *circle one*

If gold is recovered

List photograph number

- photograph of gold

Transmit file via Internet using FTP or web server with upload capability

Date sent month/day/year ____ / ____ /2018

copy to

Those company recipients approved by Graqua Mining Cameroon PLC
and to

Protocol International, Inc. Using email address chmiles@isp.com

Transmitted by:

Date month/day/year ____ / ____ /

From: joseph motombi joblek1@yahoo.fr

Subject: Names of streams

Date: December 8, 2017 at 7:47 AM

To: Charles Miles chmiles@isp.com, Karilyn Youngman karilynyoungman@fortresscn.com, Todd Spinelli spinellico@yahoo.com, Jean Gakam jean_gakam@yahoo.fr, Alfreddie Johnson Jr. rev_wlc@sbcglobal.net

JM

Dear Dr Miles,

Following your request to better identify the main streams that passes though our concession in Kentzou, we do hereby bring forth the following;

Streams 1 through 3 belong to the Grand River BOUMBE watershed, which represents the natural border between Cameroon and the Central African Republic, and Streams 4 through 6 flow into the KADEI River at South of the permit. the NE-SW road is the separation between these two main watersheds of the Boumbe and Kadei (see map attached). the names of these different streams are:

- stream 1: Wolo
- Stream 2: Bweli
- Stream 3: Gbeli
- Stream 4: Song
- stream 5: Samé
- stream 6: Loumbelo

Thank you.

----- Message transmis -----

De : Charles Miles <chmiles@isp.com>

Envoyé : vendredi 8 décembre 2017 à 01:45:11 UTC+1

Objet : Names of streams

All, or anyone,

I do not know the names of the major streams in the Kentzou Permit

Streams 1 through 3 flow southeast

Streams 4 through 6 flow southerly

I would be most obliged to you for a hurried reply with the correct names for these streams

Thank you

Charles Miles

From: Charles Miles chmiles@isp.com

Subject: Re: Status on the Cameroon Gold deposit samples.

Date: January 29, 2018 at 12:05 PM

To: Rev Alfredie Johnson Jr. Rev_wlc@sbcglobal.net

Cc: Youngman Karilyn karilinyoungman@fortresscn.com, Todd Spinelli spinellico@yahoo.com, Jean Gakam jean_gakam@yahoo.fr, Joseph Motombi joblek1@yahoo.fr

CM

Dear Rev. Alfredie,

I just spoke to the assay laboratory by telephone.

They expect to have the results for the GC000 samples —

5 pan concentrates

1 unwashed sand

1 quartz rock, selected is a portion with slight buff-stained fractures 0.5mm wide

— completed by Thursday evening, possibly sooner.

These samples were sent to Skyline Assayers in Tucson AZ. This is a credited production assay business that handles materials from large and small mining companies.

Our seven samples were assigned a batch number and placed into the analytical stream as soon as they were received. There probably was a considerable backlog in the laboratory. Skyline is a very reputable and well-used facility but the work is not a constant flow. Sometimes they have a lot to do — overloaded, so to speak — and sometimes business is slower. I think our samples arrived along with many others. Normally, commercial fire assays (including drying, crushing, and pulverizing) can be completed in one week to ten days.

I shall send you the results as soon as I receive them.

Sincerely,

Charles Miles

On Jan 29, 2018, at 6:33 AM, Rev_wlc <Rev_wlc@sbcglobal.net> wrote:

Dear Sir

What is the update on the samples that we sent to you? And if you don't have an answer today, when do you think we might get an update?

Your response will be greatly appreciated.

Sincerely,

Rev. Alfredie

Sent from my T-Mobile 4G LTE Device

KENTZOU PERMIT

Field sheet for pit

KENTZOU PERMIT

Date month/day/year ____ / ____ /2018 Digging hours ____

Sample number

Supervisor

Crew

N 4 _____, E 1 1 _____

Facing down stream – Distance to stream _____ in meters

Is stream to the right or left *circle one*

Elevation _____ meters

Pit size length _____ width _____ to 0.05 meters

if round hole Diameter of hole _____ to 0.05 meters

Depth _____ to 0.05 meters

Carried to cleanup by

pit description by depth, to 0.05 meters

Cleanup sheet for concentrates

0.00 to _____ to _____ to _____ cont.

color to to

% coarse to to

% sand to to

% clay to to

% quartz to to

quartz color to to

pit description by depth (continued if necessary)

cont. _____ to _____ to _____

color to to

% coarse to to

% sand to to

% clay to to

% quartz to to

quartz color to to

Date month/day/year ____ / ____ /2018

Supervisor

cleanup technician

Weight of concentrate in container _____ grams

Weight of empty container _____ grams

Color(s) of concentrate

Moisture content of concentrate wet moist (*circle one*)

Gold recovered

total weight _____ milligrams

Weight of grains greater than 1 millimeter _____ milligrams

Number of grains greater than 1 millimeter _____

Photographs

direction facing

Photograph number

Number of photograph of gold

Initial

Finished

(*Same as Initial*)

Pit bottom

Operating Proforma and Income Report

OPERATING PROFORMA

Project Name: **GRAQUA MINE**
 Product: **GOLD (FREE NUGET, LUMP/FINE/MICRO)**

Inflation Increase per Year 2.50%
 Operational Expense Increase per 5 Years: 5.00%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Income															
Daily Saturation @ 80 grams / ton = 16 Kilos / Day x \$43,000 / Kilo x 340 Days	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000
Monthly Income	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333	\$ 19,493,333
Daily Income	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000	\$ 688,000
Average Kilos per Day (as calculated) is 16; Best Case Kilos per Day is 70															
Total Projected Income	\$ 233,920,000	\$ 467,840,000	\$ 701,760,000	\$ 935,680,000	\$ 1,169,600,000	\$ 1,403,520,000	\$ 1,637,440,000	\$ 1,871,360,000	\$ 2,105,280,000	\$ 2,339,200,000	\$ 2,573,120,000	\$ 2,807,040,000	\$ 3,040,960,000	\$ 3,274,880,000	\$ 3,508,800,000
Gross Income	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000	\$ 233,920,000
Less															
Logistics/Transportation Costs of \$10,000 per Week x 48.5 Operating Weeks	\$ 485,000	\$ 489,850	\$ 494,749	\$ 499,696	\$ 504,693	\$ 509,740	\$ 514,837	\$ 519,986	\$ 525,186	\$ 530,437	\$ 535,742	\$ 541,099	\$ 546,510	\$ 551,975	\$ 557,495
Less Inflation	\$ 12,125	\$ 12,246	\$ 12,369	\$ 12,492	\$ 12,617	\$ 12,743	\$ 12,871	\$ 13,000	\$ 13,130	\$ 13,261	\$ 13,394	\$ 13,527	\$ 13,663	\$ 13,799	\$ 13,937
Effective Gross Income	\$ 233,422,875	\$ 233,417,904	\$ 233,412,883	\$ 233,407,812	\$ 233,402,690	\$ 233,397,517	\$ 233,392,292	\$ 233,387,015	\$ 233,381,685	\$ 233,376,302	\$ 233,370,865	\$ 233,365,373	\$ 233,359,827	\$ 233,354,225	\$ 233,348,568
Administrative Costs or Expenses															
Project Mgt Administration	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 143,000	\$ 143,000	\$ 143,000	\$ 143,000	\$ 143,000	\$ 157,300	\$ 157,300	\$ 157,300	\$ 157,300	\$ 157,300
Principals Payroll	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Operators Payroll	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000
Managers Payroll	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
General Labor	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000
Mechanics	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000
Fuel Charges	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000
Equipment Payments	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800	\$ 124,800
Insurance	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Debt Service	\$ 82,384.54	\$ 82,382.79	\$ 82,381.02	\$ 82,379.23	\$ 82,377.42	\$ 82,375.59	\$ 82,373.75	\$ 82,371.89	\$ 82,370.01	\$ 82,368.11	\$ 82,366.19	\$ 82,364.25	\$ 82,362.29	\$ 82,360.31	\$ 82,358.32
Miscellaneous	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 940,685	\$ 940,683	\$ 940,681	\$ 940,679	\$ 940,677	\$ 953,676	\$ 953,674	\$ 953,672	\$ 953,670	\$ 953,668	\$ 967,966	\$ 967,964	\$ 967,962	\$ 967,960	\$ 967,958
Net Operating Income	\$ 232,482,190	\$ 232,477,221	\$ 232,472,202	\$ 232,467,132	\$ 232,462,012	\$ 232,443,841	\$ 232,438,618	\$ 232,433,343	\$ 232,428,015	\$ 232,422,634	\$ 232,402,899	\$ 232,397,409	\$ 232,391,865	\$ 232,386,265	\$ 232,380,609
Less Unforseen Expenses or Depreciation or Inflation	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374	\$ 19,374
Adjusted Net Operating Income or Realized Profits	\$ 232,462,817	\$ 232,457,847	\$ 232,452,828	\$ 232,447,759	\$ 232,442,639	\$ 232,424,468	\$ 232,419,245	\$ 232,413,969	\$ 232,408,641	\$ 232,403,260	\$ 232,383,525	\$ 232,378,036	\$ 232,372,491	\$ 232,366,892	\$ 232,361,236