MARVELGOLD

ASX ANNOUNCEMENT ASX:MVL

5 October 2020

DRILLING COMMENCES TO TEST MAJOR KARST TARGET AT LAKANFLA

Marvel Gold Limited (ASX: MVL) (**Marvel** or the **Company**) is pleased to announce the recent commencement of drilling at its Lakanfla Gold Project (**Lakanfla**) located in western Mali. A multi-purpose reverse circulation/diamond drill rig has been mobilised for the drill program, which is expected to comprise approximately 3,800m.

Lakanfla hosts a significant number of active and historic artisanal gold workings which are coincident with major geochemical and gravity anomalies. Significantly, there is evidence of ground collapse at surface, indicative of karst (or cave-like) voids at depth within carbonate rock units. This is geologically analogous to the 4.5Moz Yatela deposit some 35km to the north-west and also the Sadiola FE3 and FE4 pits which are around 3km to the north-west of the license boundary.

The intention of this first phase drill program is to prove the existence of a karst and identify the potentially mineralised areas of the gravity lows. Subject to the results, it is likely that follow-up drill programs will then be required, using the information gathered in this first phase, to vector in on potentially economic concentrations of gold mineralisation.

Executive Director Chris van Wijk, commenting on the commencement of drilling:

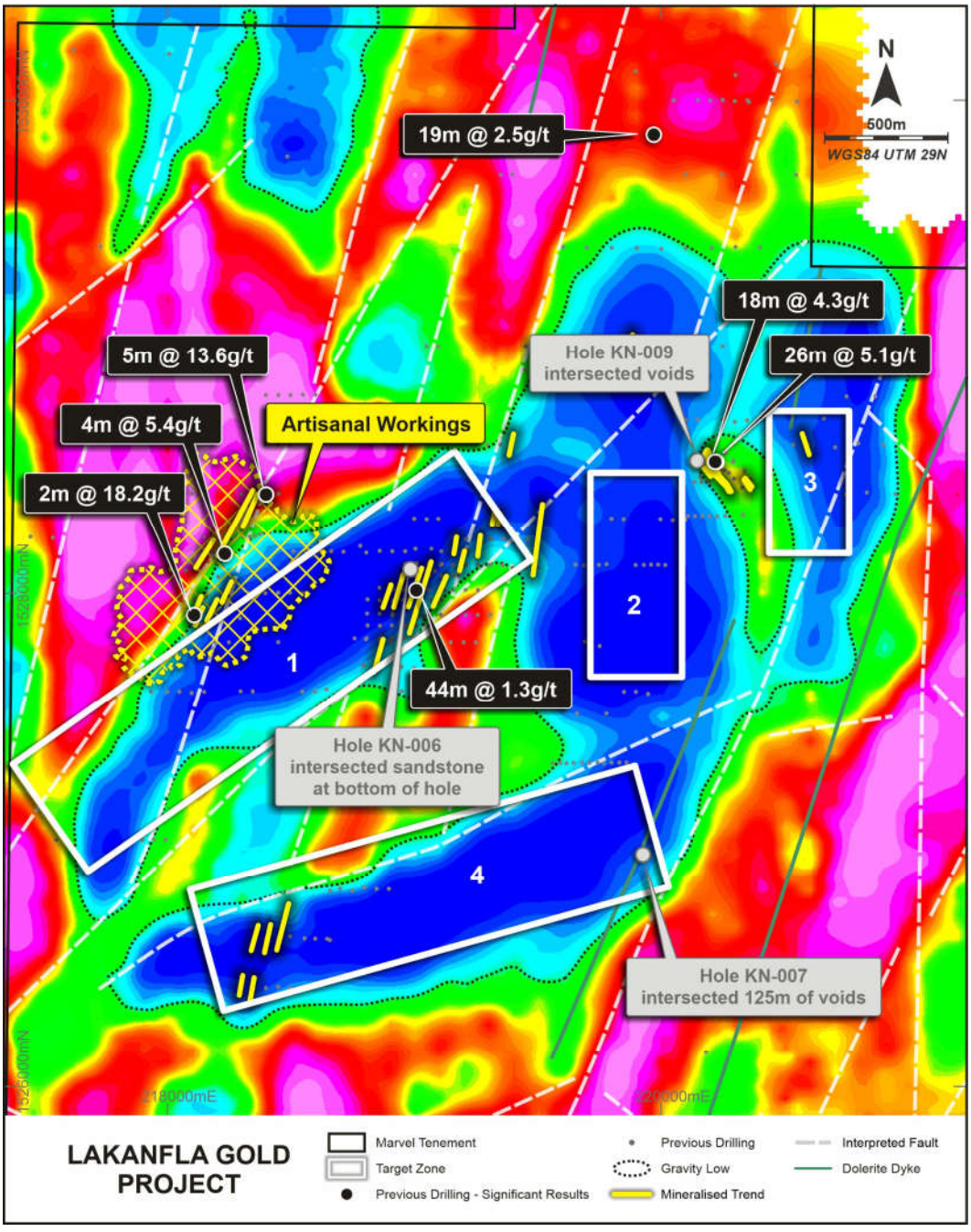
"We are incredibly excited by the exploration potential at Lakanfla and look forward to our maiden drill program to test the karst theory. We have designed this program to confirm that dissolution processes have taken place and to maximise the chances of intersecting mineralisation around the 7km strike of the gravity lows surrounding the granite intrusion. Lakanfla's proximity to Sadiola means that any discovery will be economically significant for Marvel shareholders."

Since announcing the earn-in joint venture for Lakanfla (ASX Announcement 17 June 2020), the Company has undertaken a review of historical geophysical data including the results of gravity, magnetics and induced polarisation surveys. These datasets have been reprocessed to further refine planned drill targets. Figure 1 below shows the main target zones. In principle, the best targets are interpreted to demonstrate:

- Proof of karst development, such as gravity lows at or near to the granite-carbonate contact;
- A thickened overburden evidenced in historical drilling, indicative of karst-collapse; and
- Targets proximal to shear-zones which may have yielded primary gold and enhanced groundwater flow and subsequent supergene processes.

The Company plans to use Reverse Circulation (**RC**) drilling which should be able to better handle the variable lithologies expected, including areas of loosely consolidated material and voids. Furthermore, the larger diameter should maximise the amount of sample collected. The Company has however selected a multi-purpose drilling rig which is capable of switching to diamond drilling in the event that RC drilling is not possible. First results from the drill program are expected towards the end of November and into December.

Figure 1: Lakanfla target areas



The program will test each of the four target zones identified in Figure 1, however Target Zone 1 is the primary target with 9 of the 18 planned holes expected to be drilled in this area because it meets the key criteria of the Company's targeting methodology:

- It is located on a large gravity low;
- It is proximal to two known mineralised systems:
  - Artisanal workings targeting high-grade veinlets in metasediments to the north-west of Target Zone 1 (Figure 2); and
  - The most heavily mineralised area of the granite intrusion, which lies to the south-east of Target Zone 1 as evidenced by historical drilling;
- The zone is cross-cut by two major structures, oriented NW-SE and N-S respectively; and
- It contains areas of thick overburden suggestive of karst collapse.

Figure 2: Extensive artisanal workings to the NW of Target Zone 1

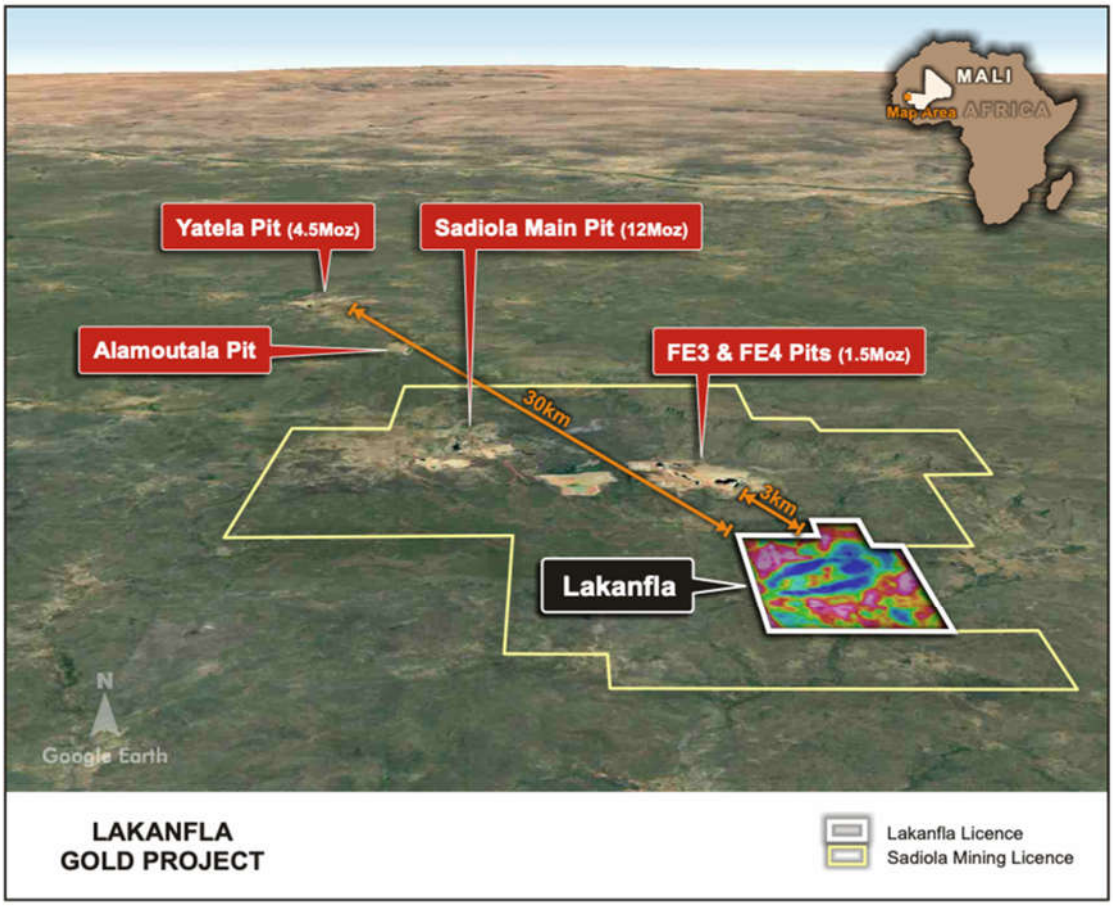


The Company will also be carrying out passive seismic surveys over the gravity lows at Lakanfla. Passive seismic surveys are used to identify density contrasts between various lithologies up to 700m below the surface. The Company believes that the density contrast between dissolved carbonates and fresh rock can be used to model the base of the gravity lows in 3D. This data can then be calibrated against the drill results to aid target generation for follow-up drilling.

ABOUT LAKANFLA

The Lakanfla Gold Project is located in the Kenieba inlier of western Mali, adjacent to the northern section of the gold-rich Senegal Mali Shear Zone. The project lies 6km to the south-east of the tier 1 Sadiola gold mine (13.5Moz production historically) and 35km south-east of the Yatela gold mine (4.5Moz production historically).

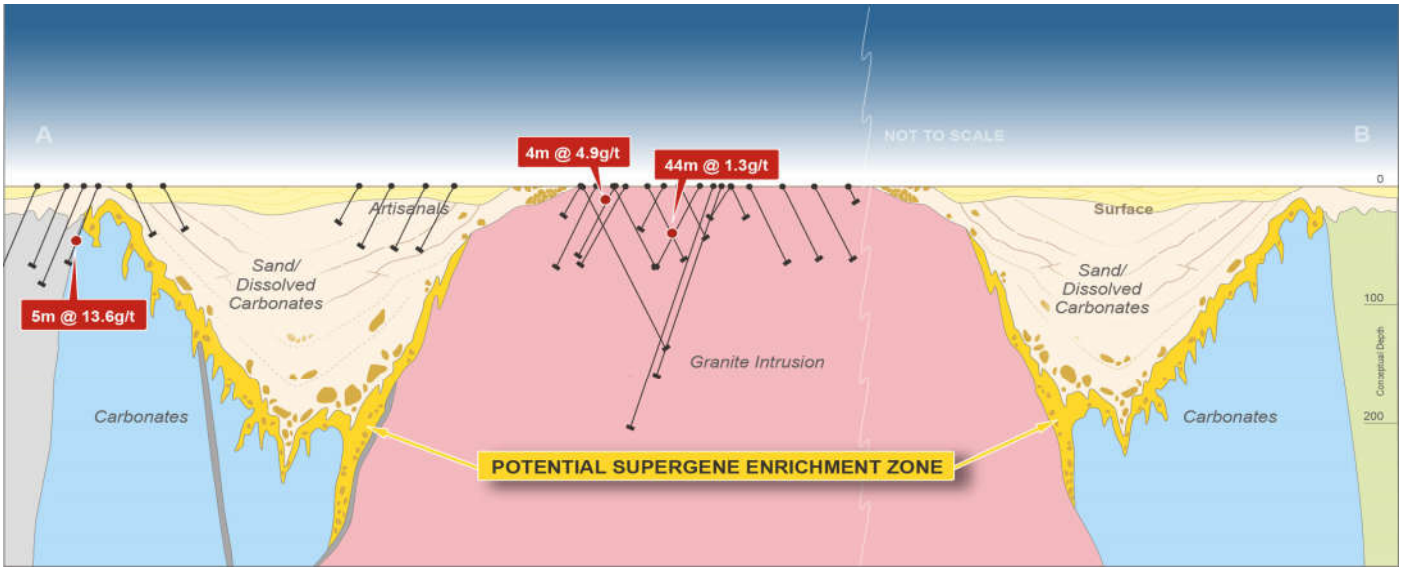
Figure 3: Lakanfla location



Historical drilling at Lakanfla has returned encouraging intersections including **26m at 5.1 g/t gold from 32m and 18m at 4.3 g/t gold from 34m** (ASX announcement 17 June 2020). In addition, several drillholes have intersected voids and unconsolidated sand at depths of up to 150m below surface. However, none of the priority gravity low targets have been systematically drill tested.

Of the historical drilling that has been undertaken at Lakanfla, 35 holes coincide with the priority targets, however the majority of these holes were drilled no deeper than 75m vertical depth and the exploration target is expected to be below this stratigraphic level at the bedrock-weathering interface. In comparison with the nearby large scale Yatela deposit, which is a direct exploration analogue, mineralisation was encountered at depths up to 220m below surface and as such, the Company believes that a valid exploration target of this style exists at Lakanfla. Figure 4 below illustrates the potential location of the mineralisation within the karst target.

Figure 4: Schematic cross-section of Lakanfla geology and target zones



The Company understands that the Sadiola gold mine will require additional oxide feed in the relative near term. Given Lakanfla's proximity to the Sadiola processing plant, any discovery would be significant for the Company.

This announcement has been approved for release by the Board.



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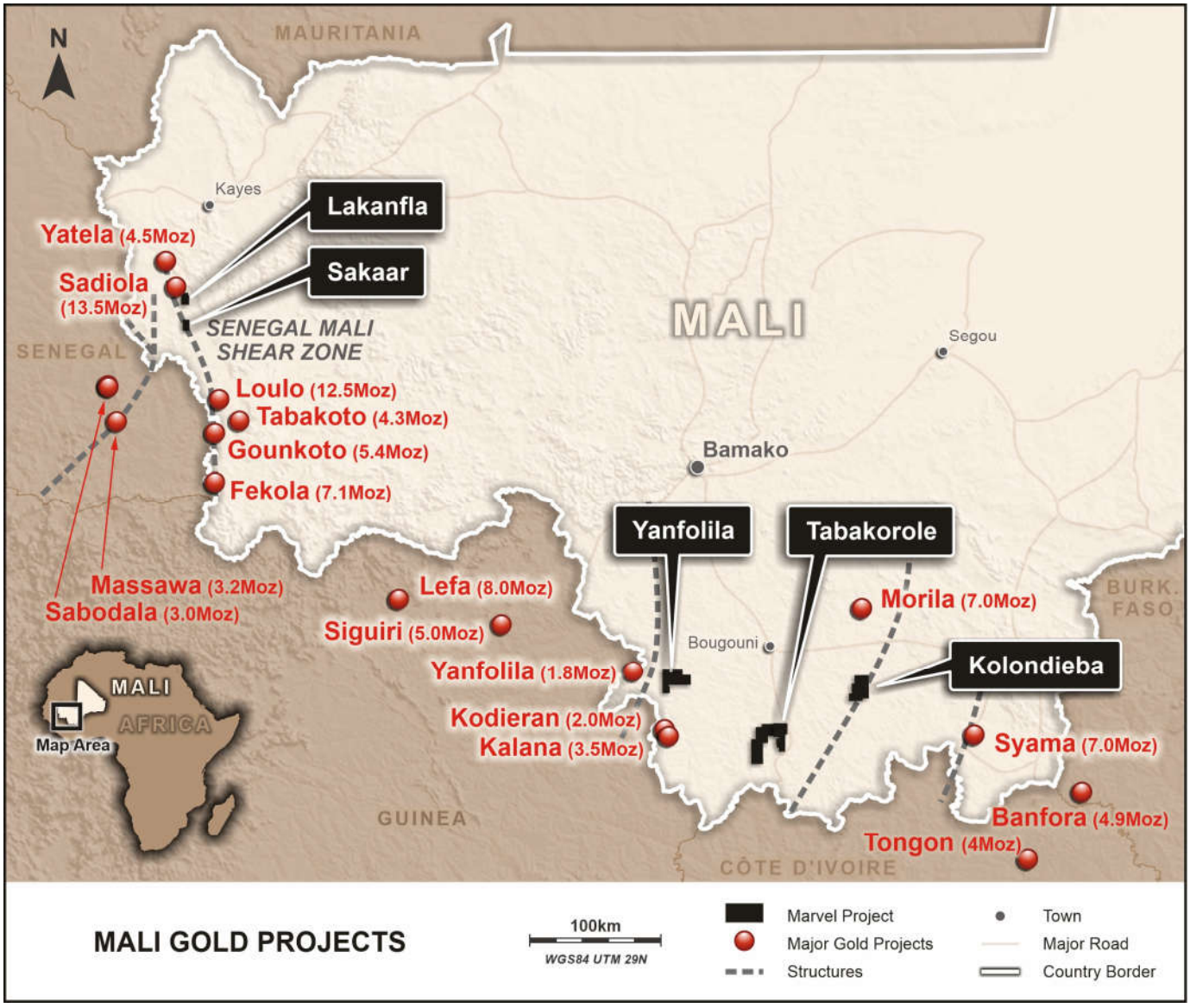
About Marvel Gold

Marvel Gold Limited is an Australian resources company listed on the Australian Securities Exchange under stock code MVL. Marvel Gold is a Mali-focused gold explorer with advanced gold exploration projects and extensive landholdings in South and West Mali.

The Tabakorole Gold Project has a large existing resource with opportunities to expand along strike and via regional exploration. The Lakanfla Gold Project is a major untested gold target 6km from the Sadiola gold mine. Marvel Gold has an experienced board and management team with specific skills, and extensive experience, in African based exploration, project development and mining.

Figure 5: Marvel Gold, Mali Projects Location



Reference to previous ASX announcements

The information in this announcement that relates to previously reported exploration results at Lakanfla was announced on 17 June 2020. Marvel confirms that it is not aware of any new information or data that materially affects the information included in that announcement.