

Pearl Gold AG expects gold profits from Mali this year

- **Promising development at Pearl Gold's first investment : Wassoul'Or S.A. in Mali**
- **Investment- and pilot phase for gold mining nears completion, ramp-up production until end of September**
- **Particularly favorable production conditions enable low production costs**
- **Total production of 1,75 million ounces predicted for entire deposit**
- **Pearl Gold gets approval for a capital increase to undertake further acquisitions in the African commodity sector**
- **Preparation for upgrade of Pearl Gold to General Standard (Frankfurt)**

Frankfurt, 20 June 2011 – On the occasion of Pearl Gold AG's annual general meeting last Wednesday in Frankfurt, Jean Louis Dupuy, CEO of the Frankfurt based holding company, which specializes in commodity investments in West Africa, informed that the industrial-scale gold production in Koderian/Mali will soon start. The design production capacity of 11.000 tons raw material per day, from which an average of 1, 78 gram gold per ton should be extracted, will be achieved for the first time in September. In two years from start-up at the latest, a doubling of the production capacity is realistic. Overall, the gold deposit in Kodieran is believed to contain about 1,75 million ounces of recoverable gold, which will be exploited in a little over six years. However, the possible inclusion of additional reserves indicates that extraction at the site for a longer period is considered as possible. The Kodieran mine in Mali is operated by Wassoul'Or S.A., in which Pearl Gold holds a 25-percent stake. Wassoul'Or holds the 30 years mining rights over the 100 square kilometres sized area that encompasses considerable additional (but as yet only partially quantified) gold resources. The operation about to commence is only one of five mineralised sites in Wassoul'Or's concession.

Due to the favourable topographic conditions at Kodieran and the proven viability of the gravimetric production process chosen by Wassoul'Or, Dupuy is expecting particularly favourable production conditions and exceptionally low production costs of only 200 to 300 US-Dollars per extracted ounce of gold. The exploitation of the known reserves of gold, most of which is located from the surface down to a depth of 70 metres, will be made by means of an open pit in an area where geological conditions require the use of heavy earth-moving equipment only, with no need for drilling and blasting. Most of the gold will be recovered through pure gravimetric means, i.e. with the use of water, and the use of chemicals will be dispensed with as far as possible.

Wassoul'Or S.A. is the first investment of Pearl Gold which has been listed in the Open Market of the German stock exchange since December last year. Dupuy states: "The listing in the Open Market has been the first step in the capital market. We are currently preparing an upgrade to the General Standard that should be realised by the end of this year." And he explains the further strategy: "The annual general meeting has cleared the way for a capital increase that will be used for the financing of further acquisitions and participations. The focus of our acquisition strategy will remain on exploration and mining companies in the field of gold, other noble metals and precious natural resources."

Robert F. Goninon, chairman of supervisory board of Pearl Gold, already now judges the investment in Wassoul'Or as a great success: "As the construction of the production plant is already fully financed, production can start soon. In this year, we will see the first profit distribution from Wassoul'Or. From 2012 onwards, Wassoul'Or will pay out quarterly dividends that will enable us to book regular profits as well. These profits will be

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passed on to our shareholders in an above-average manner." The shareholders of Pearl Gold currently include primarily international investors, with a focus in the United Arab Emirates, as well as SODINAF, an African holding company that also holds shares in Wassoul'Or.

Pearl Gold AG

The Pearl Gold AG is a holding company listed on the Open Market of the German stock exchange, based in Frankfurt. The company focuses on investments in West African exploration and mining corporations, especially in the field of gold and other noble metals. The first investment of Pearl Gold is the Malian mining company Wassoul'Or, in which Pearl Gold holds 25 % of shares. Wassoul'Or concentrates on the exploration and production of gold and runs the Kodieran gold mine in the south of Mali.

Pearl Gold AG: Company Data

- Founded 11 November 2008 in Frankfurt
- Since 17 December 2010, listed in the First Quotation board on the Open Market of the German stock exchange
- 20.000.000 common stock with a par value of 1,00 Euro each
- Upgrading to General Standard currently planned

Pearl Gold AG: Entities of the Corporation

- Management Board: Jean Louis Dupuy, Lyon, France
- Chairman of the Supervisory Board: Robert Francis Goninon, Abu Dhabi, UAE

Pearl Gold AG: Shareholder Structure

- ca. 65 % - Five Key Investors (each more than 5 %)
- ca. 35 % - Free Float

Project Wassoul'Or

- Mining concession spread over more than 100 square kilometres, with a 30-year validity (till 2027)
- Kodieran mine: Projected gold deposit of 1.75 million ounces of gold
- Kodieran: Open pit mine, up to a depth of 70 meters without the need for drilling/blasting
- Start of gold production is planned for September 2011

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