

# PEARL GOLD AG

## **Pearl Gold AG: Production at Kodieran Gold Mine to start this year**

- Production start of Pearl Gold's first investment, Wassoul'Or S.A. in Mali
- All machinery on site to ramp-up production soon
- Proven reserves of at least 1,75 million ounces at Kodieran
- Pearl Gold AG signs shareholder agreement with Malian State and majority shareholder of Wassoul'Or S.A.
- Preparations for upgrade of Pearl Gold to General Standard (Frankfurt) right on track

Frankfurt, 31 October 2011 – Pearl Gold AG (02P:GR) still confirms the production start at Kodieran gold mine in Mali this year. The Frankfurt based holding company holds a 25% stake in Wassoul'Or S.A. which operates the gold mine. Due to a delayed delivery of essential spare parts, the originally predicted production start has been postponed by two months. Robert F. Goninon, chairman of Pearl Gold's supervisory board, who is on site at the mine reports: "To date, all delivery problems are solved. The mining fleet for the start of production is being mobilised to site and the pilot phase has been successfully completed. Production in Mali should still be underway before the end of the year. The team on site is currently installing all the cables for the over 110 different components already installed on site. Apart from that, negotiations with potential purchasers of the semi-refined gold are well advanced."

The Kodieran gold mine is one of five potential mine sites in its concession and is designed as an open pit mine, that allows low-cost and environmentally sustainable production. The mine has a daily production capacity of 11.000 tons raw material which will lead to an average output of around 630 ounces of gold per day. Pearl Gold is considering a doubling of the production capacity in at least two years is realistic. The gold deposit in Kodieran is expected to contain at least 1,75 million ounces of recoverable gold. It will be produced over the next six years, with realistic potential for mine life extension. The operations are managed by an experienced team consisting of Aliou Diallo (Chairman of Wassoul'Or), Dramane Traore (Project Manager of the plant), Sekou Oumar Tidiani Kane (Mine Manager/Geologist) and Boubacar Habib Coulibaly (HSSE Manager/environmental impacts assessment). A Technical Oversight Committee by the chairman of Pearl Gold, Robert F. Goninon and Mr. V. George Bennett is overseeing the operations.

Wassoul'Or S.A. is the first investment of Pearl Gold. The German holding is listed in the Open Market of the Frankfurt Stock Exchange and has recently initiated measures for an upgrade to its Regulated Market segment (General Standard). Jean Louis Dupuy, CEO of Pearl Gold, explains: "The preparations are progressing very well. We are glad to have gained BankM as the designated sponsor for our stock and are currently developing the required prospectus to transfer to the General Standard. The commencement of gold production of our first investment in Mali will reinforce this important step."

Pearl Gold AG has formally signed the shareholder agreement binding it to the Malian state and SODINAF, the majority shareholder of Wassoul'Or. This agreement will secure Pearl Gold's interests as it gives Pearl Gold a veto right for important decisions, such as capital increases and sale of businesses. Finally it grants Pearl Gold two seats in the non-executive board of Wassoul'Or. These are currently held by the chairman of the supervisory Board, Mr. Robert Goninon and the chairman of the management board, Mr. Jean-Louis Dupuy.

# PEARL GOLD AG

## **Pearl Gold AG**

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.

## **For Inquiries:**

MSL Financial

Steffi Fahjen

Email: [steffi.fahjen@mslgroup.com](mailto:steffi.fahjen@mslgroup.com)

Tel: +49 (0) 69 6612456 8394