

# PAMBILI

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## Natural Resources

### NEWS RELEASE

## The 'next step' in realizing Zimbabwe's untapped potential: Pambili issues shares to acquire producing gold mine

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**CALGARY, Canada (Nov. 23, 2023)** – Pambili Natural Resources Corporation ("Pambili" or the "Company") (TSX-V: PNN) is pleased to announce that it has entered into a share purchase agreement (the "**Agreement**") to acquire a producing gold mine in Zimbabwe's Matabeleland province.

The Golden Valley Project (the "**Project**") covers an area of 48 hectares and is located within 10km of the Happy Valley Mine ("**HVM**") in which Pambili has secured the rights to earn up to 75% of future production, previously announced by the Corporation on April 28, 2022. Through drilling at HVM, Pambili [identified](#) the potential for economically significant gold ore bodies at depth, and since the Project is located on the same greenstone belt as HVM, there are potential synergies between the two operations.

The Project has a history of high-grade underground mining with historic gold production. Pambili believes that the Project has been underexplored in the modern era and has the potential to host a bulk mineable gold deposit.

**Jon Harris, Chief Executive Officer of Pambili Natural Resources, commented:**

*"We are delighted to announce this agreement to acquire the Golden Valley Project.*

*We established proof of concept for our strategy in Zimbabwe at the Happy Valley project earlier this year. Now, at Golden Valley, we have an opportunity to take our next step towards building and developing a portfolio of cash-generating gold mines in Zimbabwe.*

*I would personally like to thank our technical consultant, Mr. Steve Smith, for highlighting the potential of the Golden Valley project and we look forward to exploring his, and our own, shortlists of gold project opportunities in Zimbabwe as we implement our strategy for growth.*

*Through Steve we are working on an initial exploration and development program at Golden Valley and will continue to provide updates on our progress."*

### **The Golden Valley Project**

The Golden Valley Project is a typical Orogenic-style gold deposit located in the Bulawayo Greenstone Belt. The Project is situated in the same geological setting as the Happy Valley mine and the How Mine, Metallon Corporation's flagship operation.

Golden Valley was active in the late 1930s and early 1940s and, as reported on page 237 of Bulletin 93 of the Zimbabwe Geological Survey (published in 1995), what was then described as the Peaceful Valley mine "*milled 7,827 tonnes of ore for 60.0618kg of gold and treated 8,354 tonnes of sands and 785 tonnes of slimes for 17.356 kg of gold. Altogether, 77.4178 kg of gold were produced, a recovery of 9.89 g/t.*"

The mine was more recently operated by a local Bulawayo family, although production figures are unavailable. Some small-scale gold production continues at the Project by toll-milling third-party ore through an onsite stamp mill.

Given its geological setting, historic high-grade production, sustained mining activity, and underexplored underground potential, Pambili views the Project as an opportunity to establish a modern, large-scale commercial gold operation.



*Aerial view of the Golden Valley mine site.*

### **Share Exchange Terms**

Pambili has signed a share purchase agreement with Forosa Investments (Private) Limited ("**Forosa**"), a privately held entity with operations in Zimbabwe, and the individual shareholders of Forosa ("**Vendors**"), the current owners of the Project, pursuant to which Pambili will acquire all of the issued and outstanding common shares in Forosa ("**Forosa Shares**") in consideration for the issuance of 19 million post-consolidation common shares of Pambili (the "**Acquisition Shares**") and a cash payment of US\$50,000 (the "**Cash Consideration**"). Together, the Acquisition Shares and the Cash Consideration comprise the "Transaction."

The Acquisition Shares shall be issued directly to the Vendors on a pro rata basis in a share-for-share transaction, through which the Vendors will individually transfer their Forosa common

shares to Pambili. The Transaction will not result in the creation of a new Insider or Control Person (as defined by TSXV policies). The Transaction is arm's length and is not considered a related party transaction under TSXV policies.

Pambili will also issue to the Vendors 9,500,000 warrants, exercisable at C\$0.05, and 9,500,000 warrants exercisable at C\$0.10 (the "Acquisition Warrants"). The Acquisition Warrants shall expire five years from the date of issuance.

The Cash Consideration will be held in escrow to ensure the Forosa shareholders have the funds available to settle any personal tax liabilities that may arise from the Transaction. The balance of the Cash Consideration will be distributed to the individual Vendors according to their legitimate instructions within ten (10) days of the receipt of the final assessment of their tax position by the Zimbabwe Revenue Authority ("**ZIMRA**"), and after any taxes owed by any of the Vendors are paid to ZIMRA by Pambili out of the escrowed Cash Consideration.

### **Next steps**

Forosa has recently completed the geological mapping of the Project area, as well as completing surface grab sampling and a drone survey. The work to date has identified examples of sulphide-rich ore within dumps at the entrance of existing adits in the Project area.

Immediately following completion of the Transaction, Pambili will initiate the following work program that will include (but not necessarily be limited to):

- Preparing for a near-term restart of gold production
- A safety assessment of underground workings
- Surveying underground workings and creation of a 3D model
- Underground geological mapping and sampling
- Surface ridge and spur geochemical soil sampling
- Preparing for underground diamond drilling
- Future surface exploration drilling.

After the completion of the Transaction, Forosa will become a wholly owned subsidiary of Pambili, which would continue to focus on its strategy of consolidating gold mines in and around Bulawayo, Zimbabwe.

The Transaction is subject to final approval from the TSXV.

Pambili's independent geologist, Gayle Hanssen BSc. (Hons.) Geology, a qualified person as defined by National Instrument 43-101, has reviewed and approved the technical information contained in this news release.

**About Pambili Natural Resources Corporation:** Pambili Natural Resources Corporation is a natural resources exploration and development company ([www.pambilinrc.com](http://www.pambilinrc.com)) currently active in Zimbabwe and in the province of Alberta.

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