



INDEPENDENT REPORT
FOR
ASSESSMENT OF THE FINANCIAL VALUATION
OF THE MINERAL EXPLORATION ASSETS
OF
KANYE RESOURCES PROPRIETARY LIMITED



AFRASIA MINING & ENERGY INVESTMENT HOLDINGS LTD

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List of Abbreviations and/or definitions used

ASX – Australian Stock Exchange

Kavango - Kavango Resources Plc

Kanye - Kanye Resources Proprietary Limited

KCB – Kalahari Copper Belt

KSZ – Kalahari Suture Zone

Ditau – Ditau Exploration Licence package

REEs – Rare Earth Elements

IAC – Ionic Adsorption Clay

PLs – Prospecting Licences

POW – Power Metal Resources Plc

CPR – Competent Persons Report

CV – Competent Valuator

SV – SAMVAL Code

SR – SAMREC Code

LSE – London Stock Exchange

LSE AIM – Alternative Investment Market of the London Stock Exchange

DFS – Definitive Feasibility Study

Executive Summary

The Kanye Resources assets comprise the KCB project and the Ditau project, and are focussed on the exploration for and confirmation of Copper/Silver and Rare Earth Elements (“REEs”) respectively, with substantial exploration work already completed and new phases of work in progress.

The report has been prepared by Afrasia and its Principal Competent Valuator (CV) and presents an independent financial valuation of the prospective Mineral assets of Kanye, generally consisting of 10 prospecting licences (“PLs”) clustered in two contiguous and adjacent groups within the south-central Kalahari Copper Belt (“KCB”) and a further two prospecting licences situated in the east-central section of the Kalahari Suture Zone (“KSZ”) at the Ditau camp (“Ditau”) also laying contiguous and adjacent to each other.

The geological setting is generally south along strike with Cupric Canyon’s Tier-1 Khomecau Copper Mine that began producing in July 2021 from a measured and indicated resource base of c.90Mt @ 2.2% Cu and an overall defined compliant resource of c.500Mt @ 1.4% Cu.

In between Kanye and Khomecau lies Sandfire Resources’ (ASX-SFR) Motheo Copper Project currently under construction with a compliant resource base of 53Mt @ 1.2% Cu, and Sandfire has numerous satellite projects in close proximity with defined compliant resources.

Kavango Resources Plc, parent company of Kanye has commissioned a Competent Persons Report (CPR) on the Kanye assets valued, while other assets in close proximity to the Kanye asset package have confirmed the high degree of prospectivity for the discovery and definition of mineral resources.

While no code compliant mineral resources and/or mineral reserves have yet been declared the draft CPR specific to the Kanye assets valued herein and currently being generated has been reviewed by the CV and is expected to be available for inspection by prospective investors in the near future.

It is important to note that there are a number of recent significant transactions in the public domain related with the greater KCB geographical area including both Botswana and Namibia as well as a number of active development projects with public valuations that can be related to specific prospective areas and/or licence packages of defined hectareage.

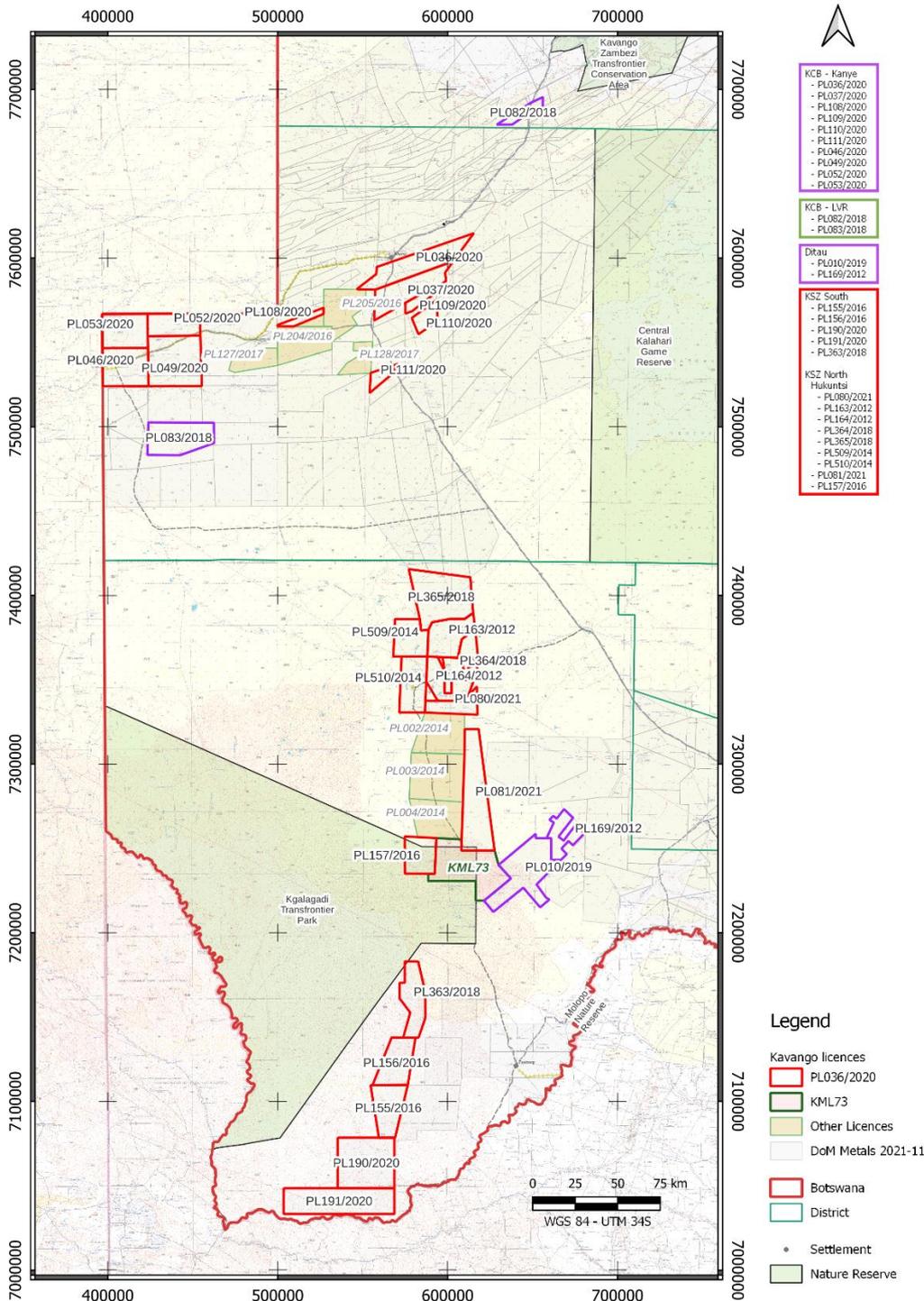
These public companies used as reference within the Market approach to the valuation encompass projects under development that represent the key way-points along the value chain that can provide realistic and reasonable valuation estimates based on both a willing seller/willing buyer transactional basis and market capitalisation as defined by public investment markets. Information and data on these public companies was recovered from the specific stock exchange reporting issuer data bases.

Introduction & Terms of Reference

SR 4.3(vii); 5.6(iii); 5.6(iv); 5.8(i) - (iv) / SV T1.17

This report presents the independent financial valuation of the licenced rights and for the exploration for mineral assets and related costs incurred thereto belonging to Kanye Resources Proprietary Limited ("Kanye") a subsidiary company now held 100% by Kavango Resources Plc ("Kavango") (LSE: KAV) post the recently announced acquisition by Kavango of the other 50% shareholding in the original 50%/50% joint-venture company with Power Metal Resources. (LSE-AIM: POW).

Figure 1 – Licences held by Kanye after vending in by Kavango and PMR



This report was prepared in accordance with the SAMVAL code and in compliance with appropriate sections in SAMVAL Table 1, SAMREC Table 1 are referenced as SV and SR respectively at the beginning of each section.

SR 1.1(i) / SV T1.0 - T1.10; T1.11 & T1.13

Afrasia was commissioned by Kavango to prepare a valuation report on the licenced mineral asset portfolio in north-west Botswana held within Kanye with a view to presenting investors with a full view of the value existing and being created, with respect to its peers within the same mineralisation and regional jurisdiction.

The Competent Valuator ("CV") neither holds any interest in Kavango or Kanye and the Mineral Assets, nor has any association with them.

This financial valuation was prepared in accordance with the SAMVAL Code without any variations, with the valuation date of 1 May 2022, is as far as the CV is aware the first valuation undertaken on the licenced mineral asset portfolio. The valuation is restricted to the Licences and any related Mineral assets or mineralisation occurrences identified and does not provide a valuation of any corporate securities or liabilities which may be held by Kavango.

Description of Valuation approaches

SV T1.12

The SAMVAL Code suggests three broad approaches to mineral asset valuation, which are the income, market and cost approaches. The SAMVAL Code requires the application of two of these methods to estimate the value of the Mineral Asset.

The Income Approach

This can be applied if there is a sufficient body of technical/ economic studies and/ or historical operational information to forecast production, sales, Capex and Opex for the asset, allowing the determination of the present value of asset cash flows to ascertain the estimated asset value. This method is widely used for development properties, production properties and economically viable dormant properties. In this case however this cannot be applied.

The Market Approach

This approach uses price and resource information from historical transactions and for comparable mineral assets and their established values on the market to determine a range of values per resource tonne or per Hectare of prospective ground under Licence and applies this, sometimes modified for its attributes, to the Mineral Resources or prospective mineralisation of the asset under valuation to estimate its value. This method is widely used for exploration assets and is a suitable supporting approach for development and production properties valued under the income approach. For the purposes of this valuation this method will be applied.

The Cost Approach

This provides an indication of value by using actual expenditure on the asset to date, assuming this represents the value to a buyer who would pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction (International Valuation Standards 2017). Applied to mineral assets, exploration and development expenditure is assumed to enhance the value of the assets and used as a basis for valuation. The value added by this expenditure can be enhanced, for example, if it results in a resource being declared. This method is widely applied to early and advanced stage exploration projects. For the purposes of this valuation this method will also be applied.

Selected Approaches for Kanye Valuation

Market approach

SV T1.10; T1.12; T1.14; T1.15; T1.18; T1.19

The market approach seeks to place a value on a Mineral asset by comparing it with similar assets that were the subject of transactions in the market and or that are amenable to valuation via public markets metrics associated with those assets.

Although there will be variances between the assets, a comparison can be made through deriving a value per unit of Prospective Area, Mineral Resource, or Mineral Reserve by dividing the total project value by the total Prospective Area, Mineral Resource, or Mineral Reserve of a project that was sold or is listed with a reasonable assessable value.

This unit value can be applied to the Prospective Area, Mineral Resource, or Mineral Reserve within the Asset under consideration to provide a reasoned estimate of its value. The comparison is improved by selecting projects of a similar target mineral or metal, mining method(s) and stage of exploration and/or development, and by using several comparative transactions where possible.

Comparable transactions

It is often problematic to find information on transactions in the public domain involving exploration projects as the details are often covered by confidentiality and non-disclosure agreements between parties. Fortunately, in this case there are several significant transactions relevant and referenceable.

Kanye South Ganzi KCB

In this case there are a number of recent transactions in the public domain related with the greater KCB geographical area including both Botswana and Namibia as well as a number of active development projects with public valuations that can be related to specific prospective areas and/or licence packages of defined hectareage.

These public companies used as reference, and shown in Table 1 here below encompass projects under development that represent the key way-points along the value chain that can provide realistic and reasonable valuation estimates based on both a willing seller/willing buyer transactional basis and market capitalisation as defined by public investment markets. Information and data on these public companies was recovered from the specific stock exchange reporting issuer data bases.

Table 1. – Public Company's and Related KCB Asset Transactions and Valuations

Company Name	Corporate Status	FLAGSHIP Project Name	Market Cap US\$M	Resources @ %Cu Grade	DFS US\$/lb CuEq	Mkt Cap US\$/lb CuEq	Property Size (Hectares) (Ha)	Mkt Cap Basis US\$/Ha	Capex US\$M	Capex per Production US\$/Ktpa CuEq	Prospect % Multiple on US\$/Ha Basis
SANDFIRE RESOURCES	ASX LISTED (SFR)	MOTHEO T3 & A4	490	53Mt @ 1.2%	0.0034	0.0038	50 000.00	9 800.00	330.00	5 500.00	
KHOMECAU COPPER	CUPRIC CANYON PVT	BOSETO	650?	92Mt @ 2.2% 504Mt @ 1.4%	0.0022	0.0017	400 000.00	1 625.00	650.00	5 000.00	
WHITE METAL RESOURCES	TSXV LISTED (WHM)	ALTAN	7	10Mt @ 1.3%	0	0.0005	39 000.00	85.00	12.40	0.00	
POWER METAL RESOURCES	AIM LISTED (POW)	MOLOPO FARMS, KCB JV, DTAU JV, HANETI (35%)	23.77	-	-	-	743 900.00	32.25	-	-	
KAVANGO RESOURCES	AIM LISTED (KAV)	KAL SUTURE ZONE, KCB JV, DITAU JV	16.05				1 447 200.00	11.09			
INNOVATION SURVEYORS LTD	PVT OFFER TO KAVANGO	ESExp	1.88	-	-	-	222 900.00	8.43	-	-	
ARC MINERALS Plc	AIM LISTED (ARCM)	75% VIRGO PROJECT (EX-KOPORE)	1.95	-	-	-	21 500.00	90.69	-	-	1% NSR or US\$5M + US\$5M @ FID
KOPORE METALS LIMITED (ARC MIN related deal)	ASX LISTED (KMT)	GHANZI WEST, KARA DOME, KORONG DOME, TAU DOME	16.7	-	-	-	261 900.00	63.76	-	-	
SANDFIRE RESOURCES (KOPORE METALS related deal)	ASX LISTED (SFR)	TRANS KALAHARI COPPER	2.00				215 000.00	9.30			\$1M CASH + \$1M SHARES
GALILEO RESOURCES Plc (SANDFIRE RES related deal)	AIM LISTED (GLR)	KCB VIRGO 9-LICENCES PLUS FROR ON 13 OTHER LICENCES	3.79	-	-	-	461 500.00	8.21	-	-	\$1.5M CASH, 1.79M SHARES, 0.5M EXP EXPENSES

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It can be seen in Table 1. above;

- (i) Seven (7) out of the ten (10) market reference points represent early-stage exploration projects,
- (ii) Two out of the seven shown are the historical JV partners and owners of Kanye, namely POW and KAV, and
- (iii) Three out of the ten have defined resources of which two can be classed as Tier-1 Mineral resource assets on a global scale, with Khomecau already in production from an underground mine and Sandfire under construction for an open pit mine

In order to derive a fair and reasonable valuation for the Kanye assets the most congruent metric is the valuation of the land packages held by the companies on the basis of Hectareage under valid Licenced tenure, management and exploration versus the related Market Capitalisation.

NB: Line 8 in Table 1 refers to Kopore Metals and specifically the KCB land package acquired from ARC Minerals. At the valuation date the total Kopore market capitalisation considered is US\$16.7m, or US\$63.76/Ha. The reasoning for this is that in the 12 months to 9th December 2021 when Kopore announced its Uranium acquisition Kopore shares traded in the Aus\$0.02 to Aus\$0.03 cents range and in this period Kopore market capitalisation was built on its Botswana exploration asset holding. As such, using the Aus\$0.025 cents valuation for Kopore allowing for exchange rates at the time indicated a US\$16.7m attributable market capitalisation for Kopore.

Using this metric three scenarios have been considered as follows;

- A) Considering the five of the seven early-stage exploration land packages, i.e., excluding the JV Owners POW and KAV of Kanye.

In this case the total land package under management and exploration by the companies' combined is 1 182 800Ha (One Million, One Hundred and Eighty-Two Thousand Eight Hundred Hectares) and the combined Market Capitalisation is US\$26.32m (Twenty-Six Million, Three Hundred and Twenty Thousand United States Dollars).

This computes to an average market valuation of US\$22.25 per Hectare, (Twenty-Two United States Dollars & Twenty-Five United States cents per Hectare)

- B) Considering four of the five early-stage exploration land packages in scenario A above, i.e., excluding the ARC Minerals Virgo Project which can be classed as an outlier based on the small size of the land package.

In this case the total land package under management and exploration by the companies' combined is 1 161 300Ha (One Million, One Hundred and Sixty-One Thousand Three Hundred Hectares) and the combined Market Capitalisation is US\$24.37m (Twenty-Four Million, Three Hundred and Seventy Thousand United States Dollars).

This computes to an average market valuation of US\$20.98 per Hectare. (Twenty United States Dollars & Ninety-Eight United States cents per Hectare).

- C) Considering all seven of the early-stage exploration land packages, i.e., including the historical JV partner owners of Kanye POW and KAV.

In this case the total land package under management and exploration by the companies' combined is 3 373 900Ha (Three Million, Three Hundred and Fifty-Two Thousand Four Hundred Hectares) and the combined Market Capitalisation is US\$66.14m (Sixty-Six Million, One Hundred and Forty Thousand United States Dollars).

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This computes to an average market valuation of US\$19.60 per Hectare, (Nineteen United States Dollars & Sixty United States cents per Hectare).

Assessing the three scenarios described and comparing the Median value of US\$20.98 per hectare from scenario B) and the average value for all three scenarios of US\$20.94 per hectare, the CV selects the reference market valuation for the KCB land package as US\$20.94 per hectare, (Twenty United States Dollars & Ninety-Four United States cents per Hectare).

Therefore, based on the CV selected market value above, i.e., US\$20.94 per hectare, the Kanye South Ganzi KCB land package of 287 100 Ha (Two Hundred and Eighty-Seven Thousand One Hundred hectares) can be valued at US\$6.02m (Six Million and Twenty Thousand United States Dollars).

Ditau

In the case of the Ditau and its prospects for carbonatite REEs resources discovery there are no related local transactions that are referenceable, however, given the high levels of activity in general in the REEs sector, both globally and in Africa, there are good reference points for comparative market valuations based on prospective areas within those companies.

Table 2. - Public Company's and Related REEs Valuations

Company Name	Corporate Status	FLAGSHIP Project Name	Market Cap US\$M	Resources @ %TREO Grade	DFS US\$/t TREO	Mkt Cap US\$/t TREO	Property Size (Hectares) (Ha)	Mkt Cap Basis US\$/Ha	Capex US\$M	Capex per Production US\$/tpa TREO	Prospect % Multiple on US\$/Ha Basis
ARAFURA RESOURCES LTD	ASX LISTED (ARU)	NOLANS NT AUSTRALIA	366.00	56Mt @ 2.6%	586.62	249.83	111 500.00	3 282.51	726.00	54 410.00	
PEAK RARE EARTHS LTD	ASX LISTED (PEK)	NGUALLA PROJECT TANZANIA	80.00	214Mt @ 2.15%	57.94	19.70	1 814.00	44 101.00	200.00	11 947.00	
MKANGO RESOURCES LTD	LSE-AIM & TSX LISTED (MKA)	SONGWEE HILL MALAWI	52.00	21Mt @ 1.4%	-	176.87	84 900.00	612.49	-	-	
MARVEL DISCOVERY LTD	TSX LISTED (MRV)	WICHEED NORTH BRITISH COLUMBIA	10.00	ESExp CARBONATITES	-	-	4 423.00	2 261.00	-	-	
AVALON ADVANCED MATERIALS INC	TSX LISTED (AVL)	NECHALACHO NWT CANADA	44.15	121Mt @ 1.5%	634.71	24.33	4 249.00	10 391.00	1 152.00	125 490.00	
DEFENCE METALS LTD	TSX LISTED (DEFN)	WICHEEDA PROJECT BRITISH COLUMBIA	28.36	34.5Mt @ 2%	689.60	41.26	2 135.00	13 283.00	474.00	18 645.00	
RAINBOW RARE EARTHS PIC	LSE-AIM LISTED (RBW)	GAKARA PROJECT BURUNDI	89.59	UHG @ 7%+	-	-	3 900.00	22 972.00	-	-	
ALTONA RARE EARTHS PIC	TO BE LSE-AIM LISTED	MONTE MUAMBE MOZAMBIQUE	5.30	ESExp CARBONATITES	-	-	1 256.00	4 219.00	-	-	
IONIC RARE EARTHS LTD	ASX LISTED (IXR)	MAKUUTU PROJECT UGANDA	154.77	532Mt @ 0.064% IACs	378.48	45.41	24 200.00	6 395.00	129.00	32 250.00	

It can be seen in Table 2. above;

- (i) Two (2) out of the nine (9) market reference points represent early-stage exploration projects focussed on carbonatites,
- (ii) Seven (7) market reference points have declared carbonatite resources in similar mineralised and mineral indicator environments, and Five (5) of these are in Africa,
- (iii) Four (4) market reference points have mixed carbonatite hard rock resources with Ionic Adsorption Clay (IAC) resources.
- (iv) Five out of nine with defined resources have completed a DFS with Capital estimate and are either in production, near production or scheduling construction and all can be classed as Tier-1 Mineral resource assets on a global scale, with two in Africa.

Similarly, to the KCB assessment and in order to derive a fair and reasonable valuation for the Ditau assets the most congruent metric is the valuation of the land packages held by the companies on the basis of Hectareage under valid Licenced tenure, management and exploration versus the related Market Capitalisation.

Using this metric three scenarios have been derived as follows;

- A) Considering the four pure Carbonatite resources companies which include early-stage exploration land packages,

In this case the total land package under management and exploration by the companies' combined is 202 079 Ha (Two Hundred and Two Thousand and Seventy-Nine Hectares) and the combined Market Capitalisation is US\$433.30m (Four Hundred and Thirty-Three Million, Three Hundred Thousand United States Dollars).

This computes to an average market valuation of US\$2 144 per Hectare, (Two Thousand One Hundred and Forty-Four United States Dollars per Hectare). However, allowing for the significance of the early-stage portion of these companies where resources are not yet declared the CV applies a discounting factor of 99%, therefore the reference market value for these assets is US\$21.44 per hectare.

- B) Considering only the three African Carbonatite resources companies which include early-stage exploration land packages as in scenario A above, i.e., excluding Arafura Resources Nolans Project which can be classed as an outlier based on the geography.

In this case the total land package under management and exploration by the companies' combined is 90 579Ha (Ninety Thousand Five Hundred and Seventy-Nine Hectares) and the combined Market Capitalisation is US\$67.3m (Sixty-Seven Million, Three Hundred Thousand United States Dollars).

This computes to an average market valuation of US\$743 per Hectare. (Seven Hundred and Forty-Three United States Dollars per Hectare). However, allowing for the significance of the early-stage portion of these companies where resources are not yet declared the CV applies a discounting factor of 99%, therefore the reference market value for these assets is US\$7.43 per hectare.

- C) Considering the only two (2) companies with pure Carbonatite and early-stage exploration land packages,

In this case the total land package under management and exploration by the companies' combined is 5 679 Ha (Five Thousand Six Hundred and Seventy-Nine Hectares) and the combined Market Capitalisation is US\$15.3m (Fifteen Million, Three Hundred Thousand United States Dollars).

This computes to an average market valuation of US\$2 694 per Hectare, (Two Thousand Six Hundred and Ninety-Four United States Dollars per Hectare). However, allowing for the significance of the early-stage portion of these companies where resources are not yet declared the CV applies a discounting factor of 99%, therefore the reference market value for these assets is US\$26.94 per hectare.

Assessing the three scenarios described and comparing the Median value of US\$21.44 per hectare from scenario A) and the average value for all three scenarios of US\$18.60 per hectare, the CV selects the reference market valuation for the Ditau land package as US\$18.60 per hectare, (Eighteen United States Dollars & Sixty United States cents per Hectare).

Therefore, based on the CV selected market value above, i.e., US\$18.60 per hectare, the Kanye Ditau land package of 138 500 Ha (One Hundred and Thirty-Eight Thousand Five Hundred hectares) can be valued at US\$2.58m (Two Million Five Hundred and Eighty Thousand United States Dollars).

Summary of Assessed Value

Considered on a consolidated ownership and management basis within Kanye, based on the above market approach using comparable transactions for both KCB regional assets and situated companies, and for Ditau REEs prospective assets, then the company asset value for Kanye can be stated as the sum of the two, i.e.,

US\$6.02m + US\$2.58m = US\$8.60m (Eight Million Six Hundred Thousand United States Dollars).

Cost Approach

As stated earlier this approach provides an indication of value by using actual expenditure on the asset to date. Applied to mineral assets, exploration and development expenditure is assumed to enhance the value of the assets and used as a basis for valuation. Allowances for committed expenditure which is already funded may also be included based on assessed budgeted and allocated/approved expenses in the immediate period following the Valuation Date.

This method is widely applied to early and advanced stage exploration projects. For the purposes of this valuation this method is also being applied.

Sunk Costs in the KCB and Ditau Assets

The historical JV partners and owners of Kanye, POW and KAV have provided cost schedules of the sunk costs to date as per the Table 3., and Table 4. that follows.

Table 3. – Trial Balances of Expenses for FY2020 and FY2021

Description of Expense	FY2020 BWP	FY2021 BWP
DEC - Literature Research	-	1 538
DEC_ Drafting	153 490	226 308
DEC_ Satellite Imagery Interpretation	-	15 672
DEC_ Reconaissance Geology Mapping	6 678 662	1 871 497
DEC_ Soil Geochemistry	7 795	23 286
DEC_ Reports	-	11 165
DEC_ Geophysical Surveys	68 507	854 512
DEC_ 3D Modelling	-	138 442
DEC_ Grab samples XRF	50 149	85 927
DEC-Adminstration	46 746	770 536
Interest Received	-	-257
Accounting Fees	-	62 745
Audit fees	-	29 000
Bank Charges	-	9 131
Computer Expenses	-	598
Consumables - Field	8 417	169 387
Courier & Postage	-	1 873
Depreciation	-	190 059
Directors_ Rem - Hillary Gumbo	-	127 932
Directors_ Rem - Vincent Laparte	-	127 952
Electricity & Water	69 768	700
Hire of vehicle	-	509 355
Internet Subscriptions	-	33 754
Insurance	-	11 200
Licencing and permits	-	4 605 544
Legal Fees	-	52 751
Medical costs	-	1 869
Motor Vehicle Expenses	-	32 122
Fuel and oil costs	20 393	244 659
Printing & Stationery	-	206
Pft/Loss on foreign exchange	-	1 280 703
Rent Paid	-	32 409
Repairs & Maintenance	-	100
Salaries - Administrative staff	-	217 181
Salaries - Technical staff	-	183 289
Salaries - Casual Labour	53 636	745 836
Telephone & Fax	-	1 027
Travel_Accomodation -Accomodation	-	2 300
Travel_Accomodation - Subsistence	17 433	1 394 940
Travel_Accomodation - Local travel	-	1 835
Total up to 31 December 2021	7 174 996	14 069 083

NB: It is to be noted that the costs of the transfer of the assets included within the portfolio is included within the 2020FY costs and specific line-item DEC_Reconnaissance Geology & Mapping

Table 4. – Total Costs Capitalised and Expensed FY2020 to YTD2022

SEP 2020 TO DEC 2021				
Description	BWP 11.73	GBP 1.35	USD	TOTAL USD
KAN Bots - capitalised expenditure	21 238 830	-	-	1 810 125
Capitalised recharges from Kavango UK	-	-	74 938	74 938
KAN UK - expensed overheads	-	61 936	-	45 757
TOTAL SPEND	21 238 830	61 936	74 938	1 930 820
JAN 2022 TO APRIL 2022				
Description	BWP 11.73	GBP 1.35	USD	TOTAL USD
KAN Bots - capitalised expenditure	3 550 855	-	-	302 629
Capitalised recharges from Kavango UK	-	28 695	-	21 199
KAN UK - expensed overheads	-	15 773	-	11 653
TOTAL SPEND	3 550 855	44 468	0	335 481
TOTAL TO DATE	USD			
Capitalised	2 208 891			
Expensed	57 410			
TOTAL SPEND	2 266 301			

Budgeted and Committed Expenditures Already Funded

The historical JV partners POW and KAV have raised funds for committed work programmes on Kanye assets, as evidenced by required LSE RNS announcements and various communications detailing ongoing activities and operational reports to the market.

The committed expenses to the Kanye assets are to be deployed for both the KCB Project and the Ditau Project.

At the KCB project an expanded soil sampling program followed by drilling of confirmed targets already preliminary identified by geophysical work is being undertaken at an expected cost to be capitalised of c.US\$500 000 (Five Hundred Thousand United States Dollars).

While at the Ditau project a drilling program to confirm identified targets for Carbonatite mineralisation had been committed at an expected cost to be capitalised of c.US\$690 000 (Six Hundred and Ninety Thousand United States Dollars).

Additionally, Kanye is expected to expense corporate, general and administration costs at least at the same rate as the first four months of the 2022Fyr, this will add a further cost of c.US\$50 000 per month, or c.US\$400 000 for the year.

Therefore, on an expected and reasonable cost assessment for budgeted and committed costs based on the above, this is in total assessed to be c.US\$1.59m (One Million, Five Hundred and Ninety Thousand United States Dollars)

Summary of the assessed value using the Cost Approach

Based on the actual expenditure schedules provided by KAV for the Kanye JV exploration assets and as shown in Table 4. here above, the costs incurred to the Valuation date are in Total US\$2.27m (Two Million, Two Hundred and Seventy Thousand United States Dollars).

Additionally, assessment of budgeted and committed expenditures to each of the Kanye projects at KCB and Ditau, and that are already funded for the balance of 2022 amounts to a further US\$1.59m.

In total therefore using the Cost Approach for Kanye the consolidated value assessed by the CV is US\$3.86m (Three Million Eight Hundred and Sixty Thousand United States Dollars).

Summary Assessment and Final Valuation

This financial valuation was prepared in accordance with the SAMVAL Code without any variations, with the valuation date of 1 May 2022. The valuation is restricted to the Licences and any related Mineral assets or mineralisation occurrences identified and does not provide a valuation of any corporate securities or liabilities which may be held by Kavango.

Using the referenced compliant approaches under the code, namely assessment via two applicable approaches, in this case the Market Approach and the Cost Approach, the following assessed values by the CV are applicable;

- (I) Market Approach – US\$8.60m
- (II) Cost Approach – US\$3.86m

On this basis a Median value computes to US\$6.23m. However, given the following observations and market conditions;

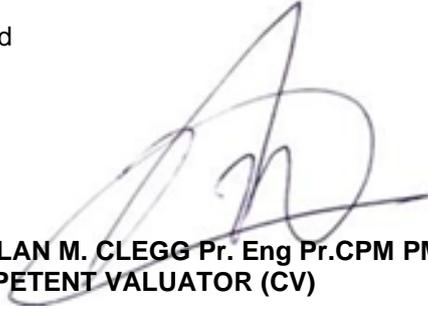
- a) The relative significance of the companies' valuations assessed within the market approach utilised for this assessment,
- b) The significant valuation increases and multiples observed as they progress along the value chain of development, and
- c) Taking into account the projections of the mainstream base metals and REE analysts along with main resources investment banking community;

The CV assesses that the valuation will in reality reside at the upper end of the range between the Median value of the two approaches, i.e., US\$6.23m and the Market Approach value of US\$8.60m and therefore assigns a Preferred Value of US\$8.0m.

Date and Signature Page

This report titled "ASSESSMENT OF THE FINANCIAL VALUATION OF THE MINERAL EXPLORATION ASSETS OF KANYE RESOURCES PROPRIETARY LIMITED" with an effective date of 1st MAY 2022, prepared by Afrasia on behalf of Kavango Resources Plc dated 1st July 2022 was prepared and signed by the following author:

Signed

A handwritten signature in blue ink, appearing to read 'A.M. Clegg', is written over a faint, light blue circular stamp or watermark.

**Mr. ALAN M. CLEGG Pr. Eng Pr.CPM PMP FSAIMM FIOQ F. Inst.D
COMPETENT VALUATOR (CV)**

APPENDIX 1

COMPETENT VALUATORS CONSENT FORM

Competent Valuers Consent Form

Pursuant to the Financial Conduct Authority Listing Rules and Clause T1.0 General of the
SAMVAL Code 2016 Edition (Written Statements)

Report Name

ASSESSMENT OF THE FINANCIAL VALUATION OF THE MINERAL EXPLORATION ASSETS OF
KANYE RESOURCES PROPRIETARY LIMITED

By

AFRASIA MINING & ENERGY INVESTMENT HOLDING LTD

Statement

I Alan M. Clegg confirm that I am the Competent Valuator for the Report and:

- I have read and understood the requirements of the 2016 Edition of the SAMVAL Code for reporting of mineral asset valuations ("SAMVAL Code, 2016 Edition")
- I am a Competent Valuator as defined by the SAMVAL Code, 2016 Edition, have more than 15 years' experience in valuations that are relevant to the type of mineral assets as described in the Report, and to the activity for which I am accepting responsibility.
- I am a Professional Mining Engineer (Pr. Eng) registered with the Engineering Council of South Africa ("ECSA") and Competent Valuator (CV) registered as a Fellow of the South African Institute of Mining & Metallurgy ("FSAIMM") both being a Recognised Professional Organisation ("RPO") included in lists promulgated by recognised stock exchanges from time to time.
- I have reviewed the report to which this Consent Statement applies
- I am the Principal Competent Valuator for Afrasia and have been engaged by the 100% shareholder of Kanye, Kavango Resources Plc
- I have disclosed to the reporting company(s) the full nature of the relationship between myself and the company(s), including any issue that could be perceived by investors as a conflict of interest.
- I verify that the report is based on and fairly and accurately reflects in the form and context in which it appears.

Signed



**Mr. ALAN M. CLEGG Pr. Eng Pr.CPM PMP FSAIMM FIOQ F. Inst.D
COMPETENT VALUATOR (CV)**