



**A pan-African gold group**



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# The Board

*Management team with a proven track record in mine development throughout Africa*

## **Executive Directors**

- John Gordon (“Algy”) Cluff, Chairman & Chief Executive
- Douglas Chikohora, Technical Director
- Jamie Alpen, Finance Director

## **Non-Executive Directors**

- Nicholas Berry, Deputy Chairman
- Eileen Carr
- Dr Robert Danchin
- Timothy Wadeson



# Cluff – a proven track record

| Company                               | Period         | Asset                 | Project Type  | Country                | Description                  |
|---------------------------------------|----------------|-----------------------|---|------------------------|------------------------------|
| Cluff Oil Plc                         | 1975 - 1976    |                       |   |                        |                              |
| <b>ACQUIRED BY BP</b>                 |                | Buchan                | North Sea oil field                                   | UK                     | Discovery of oil field       |
| Cluff Resources Plc                   | 1980 - 1996    | Royal Family Mine     | <b><i>Africa's 1<sup>st</sup> gold heap leach</i></b> | Zimbabwe               | Production                   |
| <b>ACQUIRED BY ASHANTI GOLDFIELDS</b> |                | Freda Rebecca Mine    | Open pit/underground gold mine                        | Zimbabwe               | Production                   |
|                                       |                | Ayanfuri Mine         | Open pit heap leach gold mine                         | Ghana                  | Production                   |
|                                       |                | <b><i>Geita</i></b>   | <b><i>Gold Exploration License</i></b>                | <b><i>Tanzania</i></b> | <b><i>27Moz resource</i></b> |
| Cluff Mining Plc                      | 1996 - 2003    | Blue Ridge            | Platinum Exploration License                          | RSA                    | Feasibility                  |
|                                       |                | Sheba's Ridge         | Platinum Exploration License                          | RSA                    | Feasibility                  |
| Cluff Gold Plc                        | 2003 - to date | <b>Kalsaka*</b>       | <b>Heap Leach Gold Project</b>                        | <b>Burkina Faso</b>    | <b>Development</b>           |
|                                       |                | <b>Mount Yaoure +</b> | <b>Gold Exploration (Recent Mine)</b>                 | <b>Cote d'Ivoire</b>   | <b>Pre-feasibility</b>       |
|                                       |                | <b>Baomahun</b>       | <b>Gold Exploration Licence</b>                       | <b>Sierra Leone</b>    | <b>Pre-feasibility</b>       |
|                                       |                | <b>Maligreen*</b>     | <b>Gold heap leach mine</b>                           | <b>Zimbabwe</b>        | <b>Evaluation</b>            |
|                                       |                | <b>Seripe*</b>        | <b>Gold Exploration</b>                               | <b>Ghana</b>           | <b>Exploration</b>           |
|                                       |                | <b>Niokolo* ++</b>    | <b>Gold Exploration</b>                               | <b>Senegal</b>         | <b>Exploration</b>           |

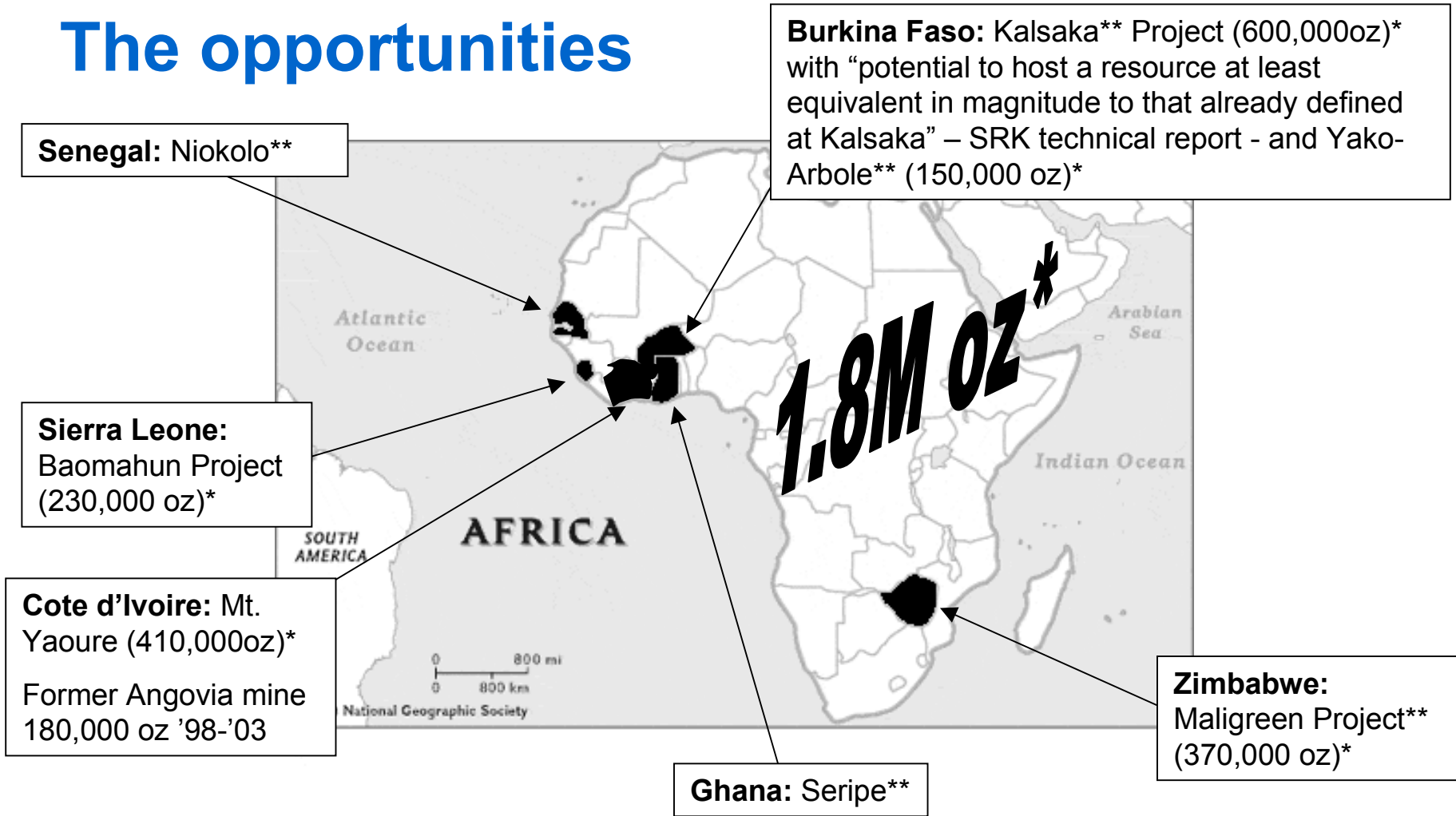
\* Under option from Ridge Mining PLC

+ In process of transfer from Cogema

++ Licence in process of grant



# The opportunities



\*Total current project resource ounces; see project descriptions for % attributable to Cluff Gold

\*\*Under option from Ridge Mining Plc



# Strategy

The identification, acquisition and development of gold deposits amenable to open pit mining and low cost processing techniques

## The investment criteria:

- Africa (excluding South Africa)
- A prospective geological setting
- A receptive government with specific and clear mining law
- The ability to access or create good infrastructure
- The clear potential for 500,000+ oz resource

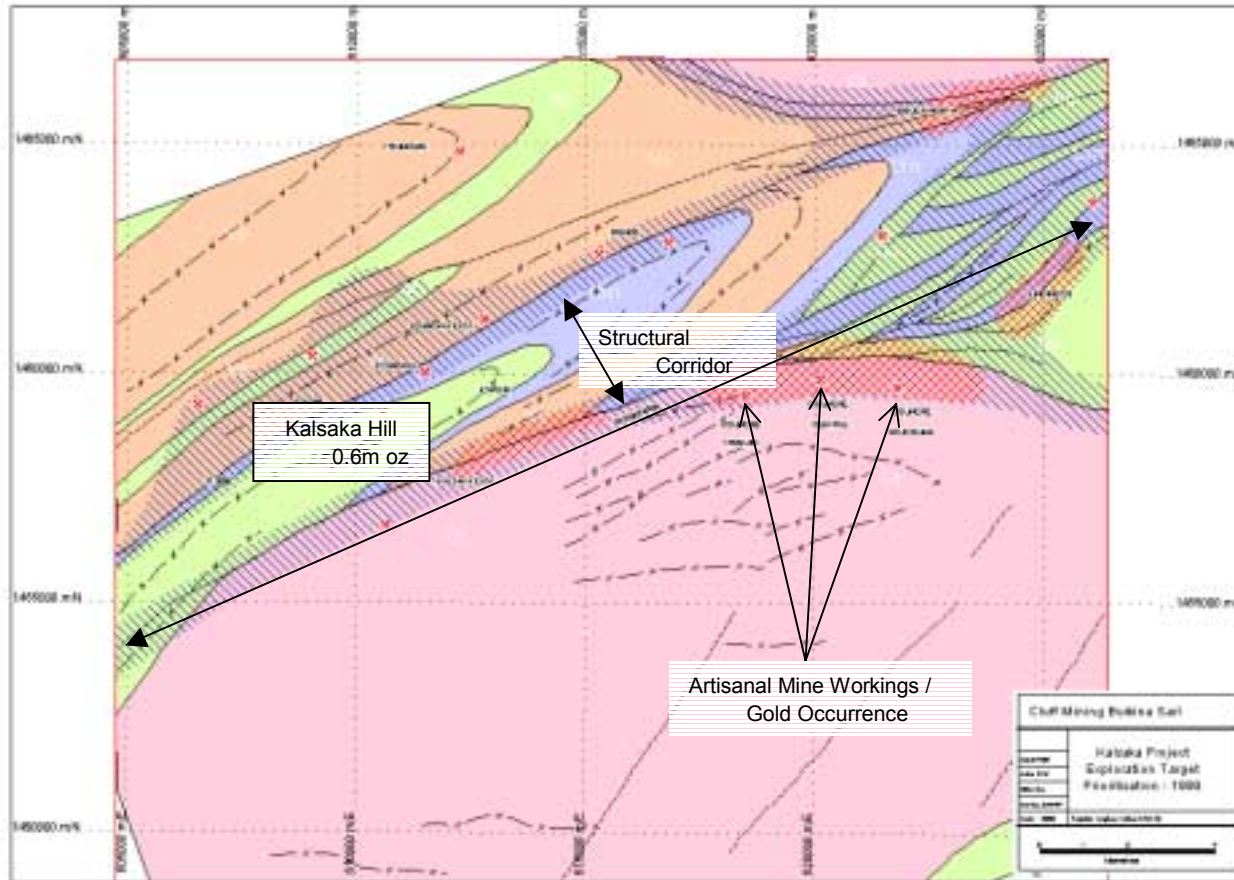
# Assets

Burkina Faso

Sierra Leone

Cote d'Ivoire

Zimbabwe



# Assets

Burkina Faso

Sierra Leone

Cote d'Ivoire

Zimbabwe

## Kalsaka

- SRK feasibility study - heap leach plant - 60,000 oz gold per year at cash cost US\$224/oz
- Mining and water permits issued August 2004
- Resource (all categories) 600,000 oz @ 1.4g/t
- “potential to host a resource at least equivalent in magnitude to that already defined at Kalsaka”
  - SRK technical report
- Potential mine life 10 – 20 years on all category resource plus expansion
- Local partner, IMAR-B, 12%; Government 10% free-carried interest



# Assets

Burkina Faso

Sierra Leone

Cote d'Ivoire

Zimbabwe

## Kalsaka – continued

- Proven & probable reserve currently 290,000 oz @ 1.8g/t - drilling programme to expand reserve & resource
- Project NPV US\$9.3m on current reserve alone (full plant costs against pre-expansion 5 year mine life) - discount rate 12%, post-tax, un-gearred, gold @ US\$400/oz – rising to US\$16.2m @ US\$450/oz
- Whole-permit exploration, supervised by RSG, identified prospective structural corridor 25 km long with associated splay structures
- Potential to host a resource at least similar in magnitude to that already defined at Kalsaka (600,000 oz)
- Five drill-tested prospects within 5 km radius of proposed location of Kalsaka plant



# Assets

Burkina Faso

Sierra Leone

Cote d'Ivoire

Zimbabwe

## Yako Arbole

- Contiguous to Kalsaka (~40km)
- Inferred mineral resource containing 150,000 oz @ 1.9 g/t - heap leach-able
- Only 1 of 4 anomalies has been drill-tested
- Government 10% free-carried interest
- 2% smelter royalty to Anglo American

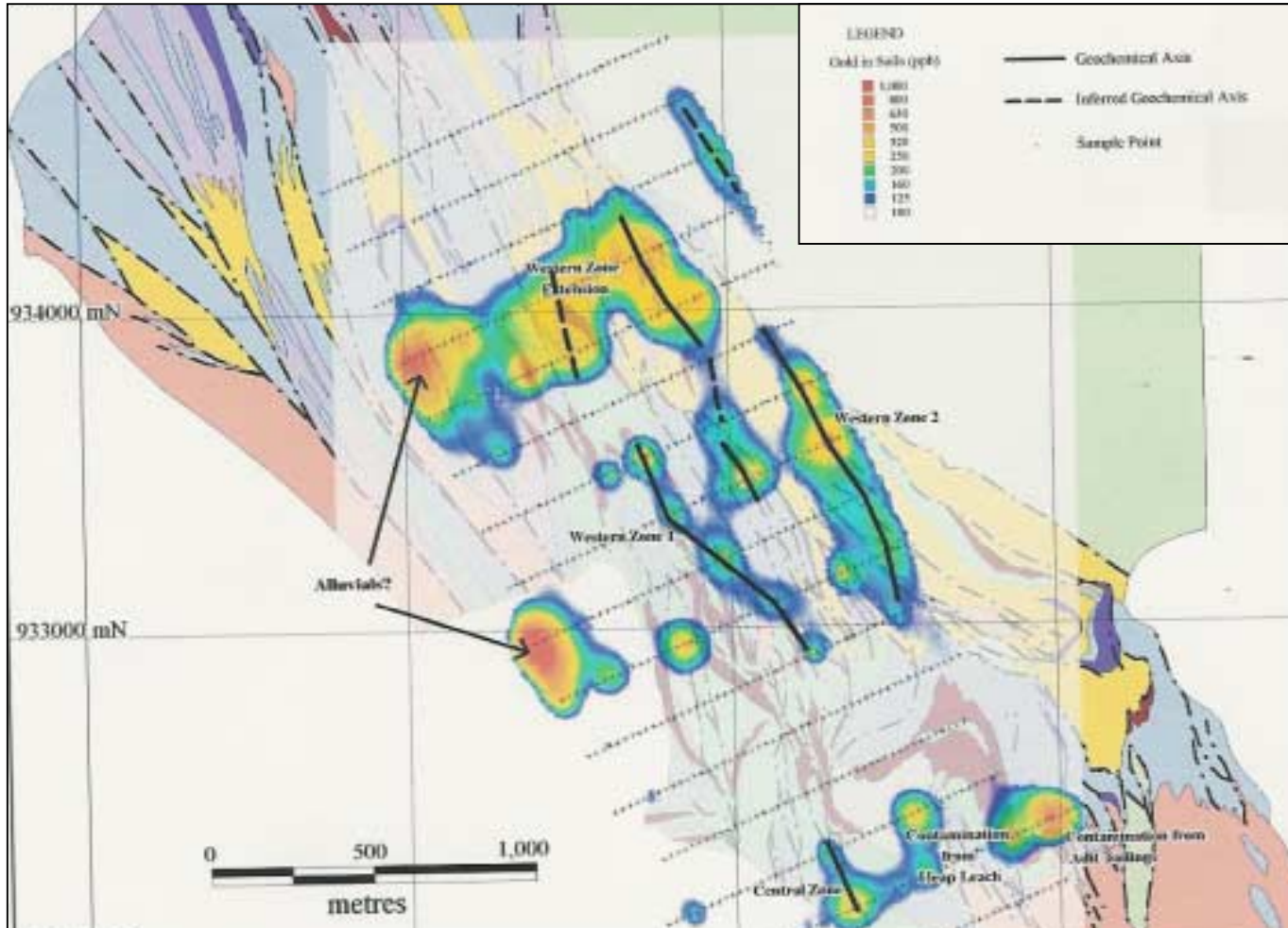
# Assets

Burkina Faso

Sierra Leone

Cote d'Ivoire

Zimbabwe



# Assets

Burkina Faso

**Sierra Leone**

Cote d'Ivoire

Zimbabwe

## Baomahun

- Similar geological setting to Lake Victoria goldfields, Tanzania - 5 zones - combined strike length 3.4kms
- Eastern zone: 29 diamond drill holes over 200m of strike - “conservative” (ACA Howe) resource 204,700oz @ 5.97 g/t
- Four further zones delineated by soil sampling, outcrop & limited drilling:
  - Central zone: 300m of strike, drill intercepts include 22.3m @ 5.09g/t, 19.9m @ 9.4g/t and 5m @ 8.78g/t
  - Western zones 1 and 2: parallel trends with gold-in-soil over 1km strike
  - Western zone extension – a further 900m of unexplored strike
- Right to earn 60% interest from Winston Mines - initial payment US\$400,000 (including US\$250,000 in shares at IPO price) + US\$5m eventual obligation on exploration or feasibility
- 5000m of drilling planned over the next 6 months



# Assets

Burkina Faso

Sierra Leone

**Cote d'Ivoire**

Zimbabwe

## Mt. Yaoure

- Licence in process of transfer from Cogema – their focus moved to uranium deposits
- 534km<sup>2</sup> incorporating Angovia gold mine operated for 5 years until late 2003
  - 180,000oz '98 – '03; 1.9Mt @ 4.1g/t for 6 tns gold (heap-leached, 75% recovery)
- Mine infrastructure and processing plant are in operating condition
  - power, water and road access all in place
- Cogema reported additional resources in satellite deposits:
  - Oxide 1.35Mt @ 3g/t (130,000oz); Sulphide 1.8Mt @ 4.7g/t (280,000oz)
  - All resources are open in all directions; excellent exploration opportunities
- Option to acquire processing plant from Cogema for US\$400,000 agreed in principle
- Government free carried interest 10%



# Assets

Burkina Faso

Sierra Leone

Cote d'Ivoire

**Zimbabwe**

## Maligreen

- Joint venture Pan African Mining (Private) Ltd 50%
- Existing mine infrastructure:
  - Oxide deposit exploited since commissioning in July 2000
  - Yielded 22,500oz gold @ 3.55g/t
- Sulphide mineral resource contains 370,000oz @ 4.6g/t
  - 1km strike within a 10.5km shear zone

# Summary of Projects

| Project       | Reserve              | Resource  | Cluff Target Potential Resource | Cluff %    | Cluff Proportion of Target Potential Resource | Comment  |
|---------------|----------------------|---|---------------------------------|------------|---|--|
| Kalsaka       | 290,000 oz @ 1.8 g/t | 600,000 oz @ 1.4 g/t  | 1,200,000 oz                    | 78%        | 936,000 oz                                    | SRK: potential for resource "at least equivalent in magnitude to existing resource at Kalsaka" |
| Yako          |                      | 150,000 oz @ 1.9 g/t  | 300,000 oz                      | 90%        | 270,000 oz                                    | Only 1 of 4 anomalies tested   |
| Baomahun      |                      | 204,700 oz @ 5.9 g/t<br>25,000 oz @ 5.6 g/t                 | 1,000,000 oz                    | 60%        | 600,000 oz                                    | Only 200 metres of 3.4km anomaly evaluated   |
| Mt Yaoure*    |                      | Oxide 130,000 oz @ 3.0 g/t<br>Sulphide 280,000 oz @ 4.7 g/t | 500,000 oz                      | 90%        | 450,000 oz*                                   | Cogema reports deposit open in all directions  |
| Maligreen*    |                      | 370,000 oz @ 4.6 g/t  | 1,000,000 oz                    | 50%        | 500,000 oz*                                   | Only 1km of 10.5km anomaly evaluated to date   |
| <b>Totals</b> | <b>290,000 oz</b>    | <b>1,759,700 oz</b>   | <b>4,000,000 oz</b>             | <b>69%</b> | <b>2,756,000 oz</b>                           |  |

\* In view of the prevailing political environment in Cote d'Ivoire and in Zimbabwe, the Directors do not currently attribute any value to the mines at Mt Yaoure and Maligreen



# Business Plan

## Cluff Gold will:

- Exercise the Ridge option and conduct drilling campaigns at Kalsaka and Baomahun to expand reserves and resources
- Evaluate production funding alternatives at Kalsaka in the light of expanded reserves and resources
- Evaluate possibility of acquiring Cogema Angovia mine plant at the Mt Yaoure licence and conduct a scoping study

# Use of proceeds

|   | <u>US\$m</u> | <u>£m</u> |
|---|--------------|-----------|
| Exercise of option to acquire Ridge Mining Gold Assets                    | 4.72         | 2.55      |
| Ridge Mining Gold Assets:   |              |           |
| Kalsaka – Burkina Faso  |              |           |
| Yako-Arbole – Burkina Faso  |              |           |
| Maligreen – Zimbabwe  |              |           |
| Niokolo – Senegal   |              |           |
| Seripe - Ghana  |              |           |
| Drilling programme to expand reserve & resource at Kalsaka – Burkina Faso | 0.74         | 0.40      |
| Cash portion of Baomahun – Sierra Leone consideration                     | 0.15         | 0.08      |
| Drilling programme to establish reserve & expand resource in Sierra Leone | 1.00         | 0.54      |
| Acquisition of Cogema mine equipment at Angovia - Cote d'Ivoire           | 0.40         | 0.22      |
| Scoping study at Angovia - Cote d'Ivoire                                  | 0.35         | 0.19      |
| Exploration at Seripe   | 0.13         | 0.07      |
| 18 months working capital   | 3.13         | 1.69      |
| Costs of the issue  | 1.45         | 0.81      |
| Total   | 11.70        | 6.50      |

*Converted at US\$1.85 = £1*



# Projected Timetable of Events

SRK scoping report on Angovia & satellite deposits – Cote d'Ivoire Dec 2004

First assay results from Baomahun - Sierra Leone Feb 2005

Assay results from drilling at Kalsaka – Burkina Faso Mar 2005

Kalsaka feasibility update Jul 2005

Updated resource figures from Baomahun Sep 2005

## On hold pending developments

Maligreen - Zimbabwe

Niokolo – Senegal

Other targets



# SRK Valuation October 2004

|   |                            |                    |
|---|----------------------------|--------------------|
| Ridge Mining Gold Assets:                   | Kalsaka – Burkina Faso     |                    |
|   | Yako-Arbole – Burkina Faso |                    |
|   | Maligreen – Zimbabwe       |                    |
|   | Niokolo – Senegal          |                    |
|   | Seripe - Ghana             | US\$13.1m*         |
| Other Assets                                |                            | <u>US\$3.2m</u>    |
| Total                                       |                            | <u>US\$16.3m**</u> |
| Converted at US\$1.85 = £1                  |                            | £8.8m              |
| Valuation per share at 8.8m shares in issue |                            | 100p               |

\* At a gold price of US\$400 per oz. At US\$450 per oz Kalsaka valuation would rise by US\$ 7.4m taking the Ridge Gold Mining Assets to US\$20.5m

\*\* In view of the prevailing political environment in Cote d'Ivoire and in Zimbabwe, the Directors do not currently attribute any value to the mines at Mt Yaoure and Maligreen . The removal of these assets from the SRK valuation would result in a net valuation of US\$13.75m at US\$400 per oz gold.



# Shareholder Value

- Identifying projects, adding value:
  - ✓ Ridge Mining option agreed, December 2003
    - ✓ Baomahun agreement, Sierra Leone, June 2004
      - ✓ Kalsaka mining and water permits, August 2004
        - ✓ Cote d'Ivoire agreement in principle, October 2004
- Fundraising history:
  - ✓ December 2003: Private placement of 5m shares @ 20p to raise £1m
    - ✓ July 2004: Rights issue & demand-driven private placement @ 55p to raise £0.45m
- 8.82m shares in issue, Directors and founders 36%
- 1.0m options in issue at an exercise price of 20p

- IPO @ 55p to raise £6.5m – Admission to AIM expected to be 15 December 2004

|   |             |
|---|-------------|
| Shares in issue pre-IPO                                   | 8,820,606   |
| Shares to be issued in as part consideration for Baomahun | 245,700     |
| Shares to be issued in IPO                                | 11,818,182  |
| Total shares in issue post IPO                            | 20,884,488  |
| Market capitalisation at the placing price                | £11,486,468 |



# Appendix. The Board

➤ **Algy Cluff**, *Chairman & Chief Executive*, aged 64.

In 1972 Mr Cluff formed CCP to bid for North Sea oil licences in the UK sector and subsequently Cluff Oil Ltd, which acted as the management company for CCP. He then founded and was Chairman of Cluff Resources. From the early 1980s, Cluff Resources began to focus on mineral exploration in Africa and made several significant discoveries prior to its acquisition by Ashanti Goldfields in 1996.

In the same year, Mr Cluff co-founded Cluff Mining Ltd (now Ridge Mining), which was admitted to the AIM market in May 2000. He was Chairman of that company until his resignation in May 2004 in order to give his full time attention to the Group which he established in November 2003.

➤ **Jamie Alpen**, BEd, DipFM, CPA (Assoc), *Finance Director*, aged 38, qualified as an accountant in Australia and has nearly 10 years' international experience in the resource industry. He joined Cluff Resources in 1994 as Finance Manager on the Ayanfuri project in Ghana. After the acquisition of Cluff Resources by Ashanti Goldfields he joined Cluff Mining Ltd (now Ridge Mining) as Financial Controller – Africa in 1998 and in 2001 assumed the role of acting Finance Director at Cluff Platinum Management (SA) Pty Ltd in South Africa. Since 2002 he has worked for the Rio Tinto Group in Australia.

➤ **Nicholas Berry**, *Non-Executive Deputy Chairman*, aged 62.

Nicholas Berry is Chairman of Stancroft Trust Ltd and Intersport PSC Holding AG, and a board member of Expomedia Group plc, Fortress Holdings Plc and Fleming Mercantile Investment Trust Plc. A director of Cluff Mining from its listing until December 2003, he joined Cluff Gold in May 2004.

➤ **Eileen Carr**, FCCA, MSc, Sloan, *Non-Executive*, aged 47. With over 20 years' experience in finance in the resource sector, she is a qualified accountant and attended the London Sloan Fellows Programme at London Business School where she completed a Master of Science in Management. She was previously the Finance Director of Cluff Resources until that company was acquired by Ashanti Goldfields in 1996, after which she continued to work for the parent company. She also worked for the commodities trading house, Marc Rich (now Glencore) on their Russian projects and has held various corporate finance roles in other resources companies. She is the Chief Finance Officer of Monterrico Metals plc. She joined the Group in November 2003.



# Appendix. The Board (cont.)

- **Douglas Chikohora**, MSc., MIMMM, *Technical Director*, aged 45 is a Chartered Engineer with over 20 years' experience in the mining industry. His experience covers rare earth minerals, base and precious metals with various companies including Cluff Resources, which he joined in 1987 and where he was in charge of the exploration and development of the Ayanfuri mine in Ghana. After the acquisition of Cluff Resources by Ashanti Goldfields in 1996, Mr Chikohora joined Cluff Mining (now Ridge Mining) in June 1996 before being appointed managing director of West Africa Limited, responsible for its West African gold interests. He joined the Group in January 2004.
- **Bobby Danchin**, MSc, *Non-Executive*, aged 62  
Mr Danchin is a geologist and chemist. He recently retired from Anglo American Corporation where he was chief executive officer of the exploration and acquisition division and Group deputy technical director (Geology). From 1981 to 1996 he was exploration manager of Stockdale Prospecting Limited. He is a non-executive director of Ridge Mining and of Gold Mines of Algeria plc. He is also a director of the South African Council of Geosciences and a member of the Australian CSIRO Mineral Resources Sector Advisory Council. He joined the Group in May 2004.
- **Tim Wadeson**, FIMMM, PEng, ACSM, *Non-Executive*, aged 67 is a mining engineer. He was Group Technical Director of Anglo American Corporation plc having worked there from 1993 to 1999 and before that Technical Director of Minorco. His career has been spent in the mining industry working predominantly for these two companies. He is a non-executive director of Ridge Mining. He joined the Group in May 2004.

