

> International Explorer's Passion, Ability and Concern for Community Win Accolades from All Sides

East Africa Metals president and CEO Andrew Lee Smith is a professional geologist with 30 years of experience exploring, developing, and operating African and North American base and precious metals mining projects.

He holds an Honours BSc in Earth Sciences from the University of Waterloo and is a member of the Association of Professional Engineers and Geoscientists of British Columbia. Smith received the Mining Entrepreneur of the Year Award in 1994 from the Quebec Prospectors Association for his role in the development of the Beaufor and Sleeping Giant mines. He was named Outstanding Alumnus of 2009 by the Science Faculty of the University of Waterloo for his contributions to international mineral exploration.

Smith is a member of the Institute of Corporate Directors and achieved the ICD.D accreditation — the only professional designation for Canadian directors recognised nationally and internationally.

This is a man with exploration and discovery at the heart of his career. During his first-year geology course, Smith was inspired by Dr Alan Morgan, and his professional passion was ignited. The University of Waterloo later came to recognise Smith as one of the most successful alumni. In 2009, he received the Faculty of Science Distinguished Alumni Award.

After graduating from the Earth Sciences programme, Smith moved to Quebec to work for Aurizon Mines. Over the next decade, the geologist assisted in bringing two gold mines into operation. In 1994, Smith received the Mining Entrepreneur of the Year Award from the Quebec Prospectors Association. Later that year, Aurizon transferred Smith to Vancouver to take an executive role as vice-president of exploration.

The experience gained in his role as vice-president of an Canadian public company prepared Smith for success in the world of entrepreneurship. In 2000, he formed True North Gems Inc, a publicly traded Canadian junior resource company focused on the exploration and development of North American gemstone projects. True North has discovered and explored coloured stone prospects, including Yukon emeralds, Baffin Island sapphires, and the Fiskenaeset Ruby deposit on the south-west coast of Greenland. The quality of stones in the properties controlled by True North are among the best in the world.



President and CEO: Andrew Lee Smith

One of Smith's most significant accomplishments is the negotiation and signing of an agreement with Kaska Dene, First Nation of the Yukon. The True North agreement has been called a major milestone and a landmark agreement in First Nation relations in Canada, the first time in Canadian history that a corporation has recognised the unresolved rights of First Nations to resources from their traditional territories.

In 2004, Smith formed Canaco Resources Inc, a Canadian junior resource company focused on gold exploration in Tanzania. In September 2009, Canaco was pleased to announce a major gold discovery in the region.

Smith has made notable contributions to Canadian and international mining for his discovery.

Smith believes in giving back to the community. In each of his exploration activities, he has involved graduate students, many of whom have gone on to complete degrees. Through the companies he has founded, he has struck unique agreements for profit-sharing with the indigenous people. He has built schools and brought clean water for communities around his company's gold mines in Africa.

Barry Warner, chair of the Department of Earth and Environmental Sciences, sums Smith thus: "He is a passionate and gifted geologist. He is a wise and entrepreneurial businessman. He is a caring and unassuming individual. We are extremely proud to count him among our own." ❀

> East Africa Metals:

Prospecting for Precious Metal, Uncovering Wealth of Trust in Fostering Personal Relationships

East Africa Metals was formed by a merger of Canaco Resources and Tigray Resource in 2013.

This was a re-alignment of the company's position in Africa that flowed from the decision to expand the area of interest to include the Arabian Nubian Shield in the hope to follow-up the discovery of the one-million-ounce Magambazi discovery in Tanzania in 2009, with more, successful exploration in Ethiopia's northern Tigray region.

In 2004, a group of colleagues formed EAM's the parent company, Canaco Resources, with a business plan to make "quick and cheap" discoveries of gold and base metals. To fulfill this mandate, EAM management identified advanced, drill-ready exploration projects that created an opportunity to move a project through the value-creative discovery phase. Success would add significant value to a project — and to EAM's assets — as resources were defined through a capital-intensive programme of diamond drilling.

Initially, EAM management implemented the business plan with a focus on Alaska and Mexico, but it was not until a visit to Tanzania in 2005 that management recognised the opportunity for discovery in under-explored regions of the country.

EAM engaged in research with academic institutions and experts that led to the acquisition of the Magambazi property, in a previously unexplored part of Tanzania. It was far removed from the traditional gold-producing region of the Lake Victoria greenstone belt. Success came quickly when the first hole drilled on the property returned 53 metres grading 4.32 grams of gold per tonne in 2009.

The discovery in Ethiopia in 2011 took a little longer. It was the fourth drill hole that returned 73.80 metres of 3.80 percent copper, 1.30 grams per tonne gold and 14 grams per tonne silver — including 36.45 metres of 6.01 percent copper, 1.69 grams per tonne gold, 19 grams per tonne silver and 1.31 percent zinc.

EAM has been successful in accumulating gold and copper resources on three projects in Ethiopia and one in Tanzania. To date, it has achieved low discovery costs of \$30/ounce (\$11/ounce in Ethiopia, \$60/ounce in Tanzania) compared to the global average of \$147/ounce.

“As we look back to the achievements of the past seven years in Ethiopia, we are confident of continued success going forward.”

Project Resources (Au + Au ^{eqv} Metal ounces)		
Project	Category	Au + Au ^{eqv} ounces
Adyabo Project	Indicated	446,000
	Inferred	551,000
Harvest Project	Indicated	469,000
	Inferred	426,000
Handeni Project	Indicated	721,000
	Inferred	292,000

The current Global Project Resources discovered by EAM (inclusive).



In recent months, EAM has completed its business plan by getting all four projects approved for mining, and signing agreements with development companies on three of the four projects: Mato Bula, Da Tambuk and Magambazi. Mine development programmes are slated to begin in early 2021. EAM will retain 30 percent interest in the projects that will provide cash flow that will fund EAM's future exploration elsewhere.

EAM chief executive Andrew Lee Smith said that with the formal approval of the Mato Bula, Da

Tambuk, Harvest and Magambazi mining licenses, East Africa's assets now include four, fully permitted gold and base metal mining projects in Africa.

“Over the past seven years, East Africa has been able to advance our projects from discovery through to advanced development phase at a pace that is seldom seen in emerging resource sectors,” he said.

“The performance of the exploration programmes designed and implemented by EAM are notable,



Denis Dillip (second from left)

not only due to short time-frame, but also by the low discovery cost of US\$30/ounce. This metric speaks not only to the tremendous mineral endowment of Ethiopia, but also to skill and experience our technical staff have applied to the highly prospective, under-explored geological environments in Ethiopia and Tanzania.

“As we look back to the achievements of the past decade in Ethiopia and Tanzania, we are confident of continued success going forward.”

Throughout EAM’s exploration in Africa, the company has been aware of its obligations to local communities. In developing a strategy for CSR, EAM management and the Board of Directors confirmed support for a mandate that would focus on the education of women and reforestation. “Most importantly, engagements by EAM management with these local communities were instrumental in identifying needs and establishing co-operative working relationships.” said Smith. “The personal relationships

established through the collaborative approach, fostered trust and understanding on both sides.”

DENIS DILIP - GEOLOGIST

Denis Dillip is a mineral exploration geologist with over 20 years of experience in the mining industry.

He graduated from the University of Dar es Salaam with a BSc Honours degree in Geology. Dillip started his career with Anglo Gold Ashanti (Geita Gold Mine) as a mine geologist. He later joined a regional exploration team where he worked as project geologist, managing two operations, Mkurumu and Njoge, located in eastern Tanzania.

Dillip joined East Africa Metals (TSX-V:EAM), again in the role of project geologist, and later served as chief geologist and president of Canaco Tanzania Limited, a Tanzanian subsidiary of East Africa Metals, for over 14 years.

Dillip has been recognised for successful exploration programmes and the discovery of a one-million-ounce gold deposit located in under-explored and non-traditional exploration terrain of Tanzania's Proterozoic Belt. Under his management and leadership, East Africa Metals (through its subsidiary) was overall winner of the 2012 Presidential Award for best CSR practices and community relations among mineral, oil and gas exploration companies in Tanzania.

In 2013, Dillip was the invited speaker on CSR matters for the Mining Business Investment Forum in Kenya. The interactive forum attracted over 200 delegates from the East African region, including South Sudan, Eritrea, Ethiopia, Djibouti, Tanzania, Rwanda, Sudan and Uganda.

Dillip serves as a director on numerous boards in mining companies; he is also a member of the Tanzania Geological Society and of the Tanzania Chamber of Mines.

In 2014, Denis Dillip was nominated by Choiseul 200 Africa Economic Leader of Tomorrow, which identifies and ranks African leaders under the age of 40. ❄

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