



**ANNUAL INFORMATION FORM**

**AS AT APRIL 2, 2018**

**of**

**GIYANI METALS CORP.**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

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## FORWARD-LOOKING STATEMENTS

All statements made by Giyani Metals Corp. (“Giyani” or the “Company”) in this Annual Information Form, other than statements of historical fact, are forward-looking statements. Forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, or variations or the negatives of such words, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, and include statements made herein with respect to, among other things: the exploration and development of mineral properties in which the Company has a direct or indirect interest; ongoing or proposed corporate transactions involving the Company or any of its subsidiaries; precious and base metals prices; the status of various permitting processes applicable to the Company’s mineral properties and projects; and the Company’s strategy, plans, and future financial and operating performance.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Actual results may differ significantly from those anticipated in forward-looking statements for reasons including, but not limited to: the risks inherent in the mineral exploration industry; inability to obtain financing on favorable terms or at all; lack of earnings; volatile commodity prices; risks relating to operations in South Africa and certain government initiatives in such country; title disputes or defects, or other concerns relating to title; governmental regulation and permitting issues; uninsurable risks; competitive forces; reliance on key personnel; foreign currency and exchange rate exposure; conflicts of interest; enforcement of civil liabilities; and infrastructure matters. See “Risk Factors”.

Forward-looking statements made in this Annual Information Form may be based upon management’s assumptions, estimates and forecasts with respect to, among other things: the timing and amount of funding required to execute the Company’s exploration, development and business plans; capital and exploration expenditures; the effect on the Company of any changes to existing legislation or policy; government regulation of mining operations in South Africa and Canada; the length of time required to obtain necessary permits, certifications and approvals; the success of exploration, development and mining activities; the geology of the Company’s mineral properties; the focus of the Company in the future; the future payment by the Company of dividends; the demand and market outlook for precious and base metals and the prices thereof; the Company’s ability to raise funding in the future; and the Company’s future growth, results of operations, performance, and business prospects and opportunities.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements contained herein, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, and accordingly, readers should not place undue reliance on any forward-looking statements made by the Company in this Annual Information Form. Except as may be required by securities laws, the Company undertakes no obligation to update or revise the forward-looking statements contained herein to reflect new events or circumstances.

In this Annual Information Form, unless otherwise indicated, all references to “\$” refer to Canadian Dollars.

## CORPORATE STRUCTURE

### Name, Address and Incorporation

Giyani was incorporated under the *Canada Business Corporations Act* on July 26, 2007 under the name “99 Capital Corporation,” and was continued under the *Business Corporations Act* (British Columbia) on August 4, 2010. On January 25, 2011, Giyani changed its name to “Giyani Gold Corp.” On July 17, 2017, the Company announced a name change from Giyani Gold Corp. to Giyani Metals Corp. to accurately reflect new business developments and marketing of its products. Giyani’s registered office is located at Suite 1300, 777 Dunsmuir Street, Pacific Centre, Vancouver, British Columbia, V7Y 1K2, and its head office is located at Suite 403, 277 Lakeshore Road East, Oakville, Ontario, L6J 6J3.

The common shares of Giyani (the “Common Shares”) currently trade on the TSX Venture Exchange (the “TSX-V”) under the trading symbol “WDG” as well as the Frankfurt Stock Exchange under the trading symbol “KT9”. The Common Shares were also listed for trading on the AltX board of the Johannesburg Stock Exchange (the “JSE”), but were delisted as at February 13, 2017 and the Alternative Investment Board of the Namibian Stock Exchange (the “NSX”) but were delisted as at January 2, 2018.

### Inter-corporate Relationships

The following table sets out all of the Company’s material subsidiaries as at the date hereof, their respective jurisdictions of incorporation, the Company’s direct or indirect voting interest in each subsidiary, and the respective mineral licenses held by each subsidiary.

As a result of the resignation of a Giyani director who served on both the Company and Canoe Mining Ventures Corp.’s (“Canoe”) board of directors and the reduction of the Company’s ownership in Canoe to approximately 33% in the year ended December 31, 2016, management determined that Canoe no longer required to be consolidated and accounts for the retained investment in Canoe as an investment in associate using the equity method.

Outlined below is information related to the Company's subsidiaries and associates owned by Giyani as at December 31, 2017.

<b>Entity name</b>	<b>Company ownership (%)</b>	<b>Place of Incorporation</b>
Canoe Mining Ventures Corp.	23.7 <sup>(1)</sup>	Canada
Coldstream Mineral Ventures Corp.	23.7 <sup>(1)</sup>	Canada
Sheltered Oak Resources Corp.	23.7 <sup>(1)</sup>	Canada
Menzi Battery Metals (Pty) Ltd.	100	Botswana
Qakaza Diamond Corp. (Pty) Ltd.	100	Botswana
Matsomo Gold Corp. (Pty) Ltd.	100	Botswana
Alpha 111 Holdings Co. Ltd.	100	Barbados
Beta 222 Holdings Co. Ltd.	100	Barbados
Giyani Gold Holdings 333 (Pty) Ltd.	100	South Africa
Giyani Gold South Africa (Pty) Ltd.	100	South Africa
Lexshell 831 Investments (Pty) Ltd.	100	South Africa
GGC South Africa Mining 111 (Pty)	100	South Africa
Obliwize (Pty) Ltd.	100	South Africa
Obliweb (Pty) Ltd.	100	South Africa
Lexshell 885 Investments (Pty) Ltd.	100	South Africa
Lexshell 154 General Trading (Pty) Ltd.	100	South Africa
Lexshell 837 Investments (Pty) Ltd.	64	South Africa
Rock Island Trading 17 (Pty) Ltd.	28.8	South Africa

(1) Subsequent to December 31, 2017, the Company's ownership decreased to 19.7%

## **DESCRIPTION OF THE BUSINESS**

### **Introduction**

Giyani is a junior mineral exploration company headquartered in Oakville, Ontario, Canada. The Company has focused its full attention to advance its recently acquired manganese exploration stage assets within the Kanye Basin in south eastern Botswana, Africa (the "Kanye Project"). Previously the Company was seeking other business opportunities and it was engaged in the acquisition, exploration, evaluation and development of gold resource properties in South Africa and Canada.

Giyani holds an interest in 14 licenses in Botswana (the "Kanye Project"). Giyani also holds an indirect interest in two exploration licenses in the province of Limpopo in northeastern South Africa (the "Giyani Project"). See below under the "Kanye Project" and the "Giyani Project".

### ***Special Skill and Knowledge***

Exploration and development operations requires professionals with skills and knowledge in diverse fields of expertise. In the course of its exploration, development, and production activities, the Company requires the expertise of engineers, exploration geophysicists and geologists, among others, and employs, directly and indirectly, such persons as required.

## ***Competition***

The mining industry in Botswana, South Africa and Africa in general is intensely competitive in all of its phases. The Company competes with a number of other entities in the search for and the acquisition of productive mineral properties. As a result of this competition, the majority of which is with companies with greater financial resources than Giyani, it may be unable to acquire attractive properties in the future on terms it considers acceptable. The Company competes for funding with other public resource companies, many of whom have greater financial resources and/or more advanced properties and whom are better able to attract equity investments and other capital.

## ***Environmental Matters***

Giyani's exploration and development activities are subject to various laws and regulations regarding the protection of the environment. If needed, and to the extent that it can be done economically, the Company will make expenditures to ensure compliance with applicable laws and regulations. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementation of existing laws and regulations could have a material adverse effect on the Company, both financially and operationally, by potentially increasing capital and/or operating costs and delaying or preventing the development of mineral properties.

## **Three Year History**

### ***2015 Fiscal Year***

On January 2, 2015 the Company announced that the binding letter of intent agreement (the "Agreement") with the shareholders of Horizon Enerji A.S. ("Horizon") and Sumo Coal (Pty) Ltd. ("Sumo") had expired in accordance with its terms as a definitive agreement was not entered into by December 31, 2014. Giyani also announced that in connection with the expiration of the Agreement, the board of Directors of Giyani rescinded the appointment of Mr. Bertan Atalay as Interim President of Giyani on December 31, 2014.

On March 17, 2015 the Company announced it arranged a non-brokered private placement of up to 4,000,000 common shares of Giyani at a price of \$0.05 per share for total gross proceeds of up to \$200,000.

On April 6, 2015 the Company announce further to the March 17, 2015 press release, the closing of a first tranche \$145,000 non-brokered private placement by issuing 2,900,000 common shares at \$0.05 per share.

On April 29, 2015 the Company announced further to the March 17 and April 6, 2015 press releases, the closing of the second tranche \$55,000 non-brokered private placement by issuing 1,100,000 common shares at \$0.05 per share.

On May 1, 2015 the Company announced that Duane Parnham (an insider) had acquired, in the aggregate, 6,413,907 common shares in the capital of Giyani through a series of acquisitions dating from November 3, 2010 to April 29, 2015. The shares were acquired over that period of time through the sale to Giyani of certain mining assets, by way of private placements of shares from the treasury and acquisitions of shares on the open market through the facilities of the TSXV. The average purchase price of the shares was \$0.41 per common share.

On May 29, 2015 the Company announced that it had agreed to settle a total of \$466,255.60 of debt relating to consulting fees and service fees to certain arm's-length and non-arm's-length parties by issuing an aggregate of 5,828,195 common shares of Giyani at a deemed price of eight cents per share. As part of the debt settlement, an aggregate of 4,589,289 common shares were issued to settle \$367,143.12 of outstanding debt owed, directly or indirectly, to certain directors and senior officers of Giyani. The participation of each of the related parties in the debt settlement was considered a related party transaction under Multilateral Instrument 61-101 -- Protection of Minority Security Holders in Special Transactions. Giyani relied on sections 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, for exemptions from the formal valuation and minority approval requirements under MI

61-101, as neither the fair market value of the common shares to be issued to the related parties, nor the amount of debt to be settled pursuant thereto, exceeds 25 per cent of Giyani's market capitalization. A material change report in respect of the related party transactions was not filed at least 21 days in advance of the debt settlement, as the terms of the debt settlement were not settled until shortly before this announcement and Giyani wished to close the debt settlement on an expedited basis for sound business reasons.

On June 12, 2015 the Company announced that it had extinguished a total of \$147,028.59 of debt relating to consulting fees and service fees to certain arm's-length and non-arm's-length parties by issuing a total of 1,837,857 common shares of Giyani at a deemed price of eight cents per share. The actual debt settlement has been reduced from the previously announced amount of \$367,143.12. As part of the debt settlement, a total of 1,775,358 common shares were issued to settle \$142,028.60 of outstanding debt owed, directly or indirectly, to certain directors and senior officers of Giyani. The participation of each of the related parties in the debt settlement was considered a related party transaction under Multilateral Instrument 61-101, Protection of Minority Securityholders in Special Transactions. Giyani is relying on sections 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, for exemptions from the formal valuation and minority approval requirements under MI 61-101, as neither the fair market value of the common shares to be issued to the related parties nor the amount of debt to be settled pursuant thereto exceeds 25 per cent of Giyani's market capitalization.

On June 29, 2015 the Company released the results from its annual general and special meeting of shareholders held in Toronto on June 25, 2015. At the meeting, shareholders elected the following to the Giyani board of directors: Duane Parnham, Scott Kelly, Roger Laine, Eugene Lee and Mark Frewin. At the meeting, PricewaterhouseCoopers LLP, Chartered Accountants, was reappointed as auditor of Giyani for the ensuing year, and the board of directors has been authorized to fix its remuneration. At the meeting approval of the stock option plan was ratified and approved as a rolling stock option plan.

On October 14, 2015, the Company signed a letter of intent ("Crystal LOI") with Crystal Capital Wealth Corporation ("Crystal"). The Crystal LOI proposed a transaction pursuant to which the Company would acquire all the issued and outstanding securities of Crystal by means of a Reverse Takeover and Change of Business (the "Transaction"). Upon completion of the Transaction, the Company would change its name and hold a 100% interest in Crystal. As consideration, it was expected that common shares in the capital of the Company would be issued to the shareholders of Crystal. The Transaction and the terms outlined in the Crystal LOI were subject to a number of conditions, including the parties executing a binding definitive agreement with respect to the Transaction, completion of due diligence, TSXV approval, and receipt of all necessary regulatory and shareholder approvals and the approval of a Sponsor under TSXV Policy 2.2, unless an exemption was available therefrom. If all conditions were satisfied and a definitive agreement was executed, it was expected that the Transaction would close on or about March 31, 2016. In connection with the Transaction, it was contemplated that an equity financing of up to \$5,000,000 would be undertaken by Crystal, with a minimum of \$2,000,000 of this financing closing concurrently with the Transaction. In addition, it was contemplated that the common shares of Giyani would be consolidated on a basis to be determined by the parties.

On November 20, 2015 the Company announced that further to its news release dated October 14, 2015, Giyani and Crystal amended the indicative letter of intent agreement to extend the outside date for the proposed transaction pursuant to which the Company would acquire all the issued and outstanding shares of Crystal by means of a Reverse Takeover and Change of Business, to March 31, 2016. Concurrently with the execution of the amendment letter, Crystal and the Company entered into a loan agreement pursuant to which Crystal lent to the Company \$35,000 (the "Loan"). The Loan bore interest at 3% per annum. The Loan was repayable within 90 days of the date of termination of the indicative letter of intent or, if Crystal and the Company enter into a definitive agreement in respect of the proposed transaction, 90 days following the date of termination of the definitive agreement. The indicative letter of intent agreement provided for the payment of a break fee of USD\$250,000 by Crystal to the Company if the letter of intent agreement was terminated in certain circumstances. Any amount owing by the Company under the Loan was to reduce the break fee received by the Company accordingly. The proposed terms outlined in the Agreement were subject to a number of conditions, including the parties executing a binding definitive agreement with respect to the proposed transaction, completion of due diligence, TSXV approval, and receipt of all necessary regulatory and shareholder approvals and the approval of a Sponsor under

TSXV Policy 2.2, unless an exemption was available therefrom. The common shares of Giyani were halted on October 14, 2015. In preparation for this proposed transaction, the Board approved the sale of 19,400,000 shares of Canoe Mining Ventures Corp. to be used towards closing expenses.

### ***2016 Fiscal Year***

On March 31, 2016, the Company and Crystal terminated the indicative letter of intent agreement as it had expired. Under the terms of the agreement, Giyani is entitled to and will pursue collecting the US\$250,000 break fee. Crystal loaned the Company CDN\$35,000 which will be deducted from the break fee owing. The Company also announced the resignation of Mark Frewin as director of the Company.

On April 12, 2016, the Company announced the resignation of Ron Reed as CFO effective April 5, 2016. Duane Parnham assumed the CFO role temporarily until a replacement was found.

On April 27, 2016, the Company announced the resignation of Jo-Anne Archibald as Corporate Secretary effective on April 13, 2016.

On May 2, 2016, the Company announced that it was in technical default of the provisions of NI 51-102 requiring the Company to file its Audited Annual Consolidated Financial Statements for the years ended December 31, 2015 and 2014 (“Annual Financial Statements”) and MD&A by March 30, 2016 resulting from its listing on the Johannesburg Stock Exchange. The Company remedied this default by filing its Annual Financial Statements and MD&A on April 29, 2016.

On May 27, 2016, the Company announced that it was in technical default as a non-venture filer of the provisions of NI 51-102 requiring the Company to file its Three Months Ended March 31, 2016 Financial Statements and MD&A by May 16, 2016 being 45 days after end of the year resulting from its listing on the Johannesburg Stock Exchange. The Company remedied this default by filing its Financial Statements and MD&A on May 27, 2016.

On June 21, 2016, the Company announced that it would resume trading on June 22, 2016.

On June 24, 2016, the Company announced that it was arranging a non-brokered private placement of up to 3,000,000 common shares at a price of \$0.10 per share for total gross proceeds of up to \$300,000. The Company also announced that, subject to the TSXV approval, the granting of 1,850,000 options to Directors and Consultants of the Company exercisable at a price of \$0.10 per share fully vested in accordance with the Company’s stock option plan.

On July 19, 2016, the Company announced the close of the non-brokered private placement financing issuing a total of 3,450,000 common shares of the Company at a price of \$0.10 per share for total proceeds of \$345,000.

On August 3, 2016, the Company announced the appointment of John L. Petersen, a world renowned energy storage specialist to the Board of Directors. The Company also announced the appointment of Scott Breard as an Independent Director and Daniel Crandall as Chief Financial Officer with immediate effect. In connection with these appointments, the Company granted 650,000 options exercisable at \$0.305 per share in accordance with the Company’s stock option plan.

On September 1, 2016 the Company announced that Corridor Mining Resources (Pty) Ltd. (“CMR”) had confirmed that the South African Department of Mineral Resources had provided Rock Island with an acceptance letter for a retention license application submission relating to their Prospecting Right LP306PR (Louis Moore) and Prospecting Right LP310PR (Klein Letaba-Frankie, Horseshoe and Birthday). CMR and Giyani own 45% each of Rock Island and share all corporate costs 50/50 in the South African registered operating company.

On September 22, 2016 the Company announced the results of the annual general and special meeting. At the meeting, shareholders elected the following to the Giyani board of directors: Duane Parnham, Eugene Lee, Scott Breard and John Petersen. At the meeting, PricewaterhouseCoopers LLP, Chartered Accountants, was reappointed as auditor of Giyani for the ensuing year, and the board of directors has been authorized to fix its remuneration. At the meeting approval of the stock option plan was ratified and approved as a rolling stock option plan. The Company also announced the sale of 2,910,000 shares of Canoe Mining Ventures to an insider for proceeds of \$87,300.

On September 30, 2016, the Company announced that BlackX Management GmbH had been retained to provide investor relations and communications services for European markets.

On October 27, 2016, the Company announced that it had entered into a non-binding Letter of Intent with Arnoldus Brand, director and owner of Matsamo Gold Corp Pty Ltd., Menzi Battery Metals Pty Ltd. ("Menzi") and Qakaza Diamond Corp Pty Ltd. to acquire a 88-95% interest in various prospecting licenses in Botswana that is highly prospective of manganese development. The significant 13,283.1km<sup>2</sup> (1,328,310ha) land package includes an application for the Kgwakgwe Hill Manganese Mine and also surrounds Rio Tinto's recent iron ore discovery. In connection with the original agreement, the Company was to make cash payments totaling C\$550,000 and issue 4.4 million common shares.

On November 17, 2016, the Company announced that it had signed a Letter of Intent ("LOI") with Menzi Battery Metals Pty Ltd., to acquire a 70% interest in two past-producing high-grade manganese mines (Kampumba and Chiwefwe open pit mines) in Zambia. In connection with this agreement, Giyani agreed to make a US\$200,000 cash payment and work commitment of US\$1 million over five years to Menzi subject to the completion of due diligence, title review and completion of a definitive agreement.

### ***2017 Fiscal Year***

On January 13, 2017, PricewaterhouseCoopers LLP, Chartered Accountants, tendered their resignation and the directors of the Company appointed MNP LLP, Chartered Accountants, as successor auditors in their place.

On January 23, 2017, the Company announced that it would be delisting from the Johannesburg Stock Exchange (JSE) with the last day of trading to be Tuesday February 7, 2017 and the termination of the listing to take place on Monday February 13, 2017.

On March 14, 2017, the Company closed a non-brokered private placement of 3,521,572 units for total gross proceeds of \$1,232,550. Each unit consisted of one common share of Giyani at a price of \$0.35 per share and one half of a share purchase warrant exercisable at \$0.70 for a period of 18 months from the date of issuance.

On April 11, 2017, the Company announced the acquisition of six new prospecting licenses that encompass the past producing Kgwakgwe Hill Manganese Mine ("K. Hill") located in the Kanye Basin, Southeastern Botswana. Binding agreements were signed with Everbroad Investments (Pty) ("Everbroad") Limited and Marcelle Holdings (Pty) ("Marcelle") Limited to acquire an 88% interest in PL322/2016 (Kgwakgwe Hill License) and 100% interest in PL336/2016 to PL340/2016 (adjacent to K. Hill) inclusive by making cash payments totaling US\$75,000 (paid).

On May 1, 2017, the Company announced the appointment of Mr. Wajd Boubou to the position of President.

On July 11, 2017, the Company issued 1,029,186 common shares in settlement of a total of \$329,340 owing at a market price of \$0.32 per share. 966,686 of these shares were issued to officers and directors of the Company in settlement of \$309,340 owed.

On July 13, 2017, the Company signed a definitive agreement (the "Agreement") with Marcelle to acquire an 88% interest in seven prospecting licenses (PL294/2016 to PL300/2016 inclusive) by making cash payments totaling BWP 980,000 Botswana Pula (paid). Additionally, the Agreement also included the completion of the acquisition of 100% interest in five prospecting licenses from Marcelle and 88% interest in one prospecting license from Everbroad as mentioned above. The Agreement also included the acquisition of 100% interest in Menzi, a company incorporated in accordance with the laws of Botswana, by issuing two million common shares of Giyani (issued).

On July 17, 2017, the Company announced a name change from Giyani Gold Corp. to Giyani Metals Corp. to accurately reflect new business developments and marketing of its products.

On November 16, 2017, the Company announced the acquisition on an additional license near the town of Lobatse ("The Lobatse Prospect"). The Lobatse Prospect is located 40 km east of the K. Hill Prospect.

On November 28, 2017, the Company announced the appointment of Mr. Robin Birchall to the position of CEO and Director.

### ***Subsequent Events (2018)***

On February 8, 2018, the Company closed a non-brokered private placement of 7,207,890 units issued at \$0.275 per unit consisting of one common share and one-half of a common share purchase warrant. Each whole warrant is exercisable into a common share at an exercise price of \$0.40 per share for a period of 18 months. In the event that the closing price per Common Share is more than \$0.60 per Common Share for more than 20 consecutive trading days, the Company will be entitled to accelerate the warrant expiry date to the date that is 30 days following the date on which the Company announces the accelerated warrant expiry date by press release.

In connection with the closing of the private placement, the Company paid certain finders a fee consisting of a cash payment of 7% of the proceeds such finders raised as well as 7% in finder's warrants ("Finder's Warrants"). The Finder's Warrants were issued on the same terms as the Warrants comprising the Units. As a result the Company paid finders fees of \$43,374 and issued 157,723 Finder's Warrants.

On January 29, 2018, the Company sold 2,800,000 common shares of Canoe Mining Ventures Corp. for proceeds of \$350,000. As a result, the Company's ownership in Canoe decreased to 19.7%.

On February 23, 2018, the Company announced the addition of Stockhouse to its existing network of investor relations partners and launches a comprehensive global marketing campaign with the objectives of marketing the Company, and articulating its plan to become a leading supplier of manganese to the battery market.

On March 8, 2018, the Company announced the appointment of Mr. Kneipe Setlhare as country manager. He will be based out of Giyani's new regional office in Gaborone, the capital city of Botswana. The office in Gaborone will provide Giyani with necessary logistical and legal infrastructure to establish itself as a credible mining company that is well positioned to contribute to the development and diversification of the Botswana mining sector.

On March 15, 2018, the Company announced the commencement of Phase 1 of its 2018 operational program, including geophysical surveys and a diamond drilling campaign at the K.Hill and Otse Prospects in Botswana. Work has begun on assessing the historical data and geophysical results are expected in the second quarter of 2018. Once targets have been identified the diamond drilling program will commence with the aim of producing a maiden resource early in the third quarter of 2018.

## **Kanye Project**

The technical information contained in this subsection of this Annual Information Form has been reviewed and approved by Roger Moss, Ph.D., P.Geo, who is a “qualified person” for the purpose of NI 43-101.

### ***Project Description and Location***

On April 11, 2017, the Company announced the acquisition of six new prospecting licenses that encompass the past producing Kgwakgwe Hill Manganese Mine located in the Kanye Basin, Southeastern Botswana. Binding agreements have been signed with Everbroad Investments (Pty) Limited and Marcelle Holdings (Pty) Limited to acquire an 88% interest in PL322/2016 (Kgwakgwe Hill License) and 100% interest in PL336/2016 to PL340/2016 (adjacent to Kgwakgwe Hill) inclusive by making cash payments totaling US\$75,000 (paid).

On July 13, 2017, the Company signed the Agreement with Marcelle to acquire an 88% interests in seven prospecting licenses (PL294/2016 to PL300/2016 inclusive) by making cash payments totaling BWP 980,000 Botswana Pula (paid). Additionally, the Agreement also includes the completion of the acquisition of 100% interest in five prospecting licenses from Marcelle and 88% interest in one prospecting license from Everbroad as mentioned above. The Agreement also includes the acquisition of 100% interest in Menzi Battery (Pty) Limited, a company incorporated in accordance with the laws of Botswana by issuing two million common shares (issued) of Giyani. As of the date of this AIF, all ministry approvals have been granted to transfer the licenses ownership to Menzi.

All licenses have an initial expiry date of December 31, 2019, except for the Lobatse Prospect license which has an initial expiry date of December 31, 2020. The licenses have minimum Botswana Pula expenditures of BWP 25,450,000 by December 31, 2019 and BWP 2,950,000 by December 31, 2020 and can be renewed prior to the initial expiry date.

### ***Accessibility, Climate, Local Resources, Infrastructure and Physiography***

The Kanye Project is strategically located in southeastern Botswana, a prime area with proximity to the critical infrastructure that is essential for any mining operation. Southeastern Botswana is where the capital city Gaborone is located and has the most developed infrastructure in the country. Road and rail systems are easily accessible which allows for cost effective transportation to multiple seaports.

Botswana is landlocked and has a subtropical desert climate characterized by low rainfall and moderate temperatures. It receives virtually no rainfall for six months of the year, with the wettest months being December to March when heavy downpours are experienced. Botswana has winter and summer at opposite times of the year as Europe and North America, and they correspond to the dry and wet season respectively. As a result mining operation in Botswana is possible throughout the year with virtually no disruptive seasons.

Mining is the number one contributing sector to the country’s GDP. As a result Botswana enjoys a well-developed and skillful workforce with numerous private sector small and medium size companies that service the mining sector. The three main prospects identified thus far in K.Hill, Otse, and Lobatse have demonstrated relatively shallow depositions with surface outcrops of manganese mineralization that may allow for cost effective open pit mining.

### ***History***

The K.Hill prospect is home to a past producing mine at Kgwakgwe Hill which operated between 1957 and 1967. There have been several artisanal mining operations in various locations within the Giyani license area including the Otse and Lobatse prospects.

## ***Geological Setting***

The Kanye Project (formerly Kgwakgwe Hill project) covers a supergene system containing high-grade manganese nodules. Manganese ore mined from 1957 to 1967 at Kgwakgwe Hill consisted almost entirely of such high-grade manganese oxide nodules grading 40-50% manganese (Source: Botswana Notes and Records, Vol.30, p. 147-156). The deposit lies within the Kanye Basin, which is underlain by rocks of the Transvaal Supergroup (“Transvaal”). The Transvaal hosts roughly 80% of the world’s manganese reserves and has been identified in Botswana both under cover beneath Kalahari sands and in local outcrop within the project area.

## ***Exploration***

On June 13, 2017, Giyani announced the results of its initial surface sampling program which confirmed high grade mineralized shale ranging from 58 to 61% manganese oxide (“MnO”). Photos of the sample areas, the associated maps and a complete table of all sample results are available on Giyani’s website at [www.giyanimetals.com](http://www.giyanimetals.com).

On July 19, 2017, Giyani announced the results of its phase II regional mapping and sampling program.

Different lithologies were sampled to test both the grade of mineralization as well as background manganese values in the country rock. The manganiferous shale unit (“Mn-Shale”), from the well known Kgwakgwe Hill Shale formation, is considered the main target. Mineralization styles vary from laminated to massive to botryoidal. Analyses of the Mn-Shale sampled from K.Hill thus far covers approximately 500 meters along strike.

Manganese shale was sampled in 33 locations at K.Hill. The Mn-Shale is an iron enriched unit up to 10 meters thick. These 33, along with 21 duplicates assayed between 46% to 64% MnO, with two samples under 40%, and an average grade of 53.9% MnO. An interpreted fault zone has been mapped at K.Hill. This fault zone contains the botryoidal type mineralization while the host lithology has been deformed and altered to a massive, typically iron enriched unit. “Nodules” of manganese minerals showing a botryoidal habit returned MnO grades of up to 73%. Images indicating the different styles of mineralization and the complete table of all sample results are available on Giyani’s website at [www.giyanimetals.com](http://www.giyanimetals.com).

On August 10, 2017, Giyani announced it has discovered and confirmed a second high grade manganese prospect near the town of Otse (the “Otse” prospect”) that graded up to 67.4% MnO during the phase II regional mapping and sampling program, varying between 15.4% and 67.4% with an average grade of 48.1% MnO. The Otse prospect is located 40 km east of the historical mine site at K.Hill. A total of 50 unique grab samples and 3 duplicates were collected from the Otse prospect and submitted to SGS South Africa (PTY) LTD laboratories in Randburg, South Africa (“SGS”). Full assay results from these samples are available on Giyani’s website at [www.giyanimetals.com](http://www.giyanimetals.com).

On September 28, 2017, Giyani announced assay results from the third batch of samples collected from its Otse and K.Hill prospects within the Kanye Project in Botswana. A total of 95 grab samples were collected and submitted to SGS.

Mineralization at the Otse prospect occurs within a chert breccia unit, typically found stratigraphically on top of manganiferous, silicified, and ferruginous shale units. The habit of mineralization is nodule-like and sometimes massive. This chert breccia unit at Otse is highly variable in thickness, ranging from 2-3 meters up to 15 meters. The lab results indicate a similar grade of manganese to the manganiferous shale unit sampled at the K.Hill Prospect, however with slightly higher silica. Continuity between these two occurrences (Otse and K.Hill) will be tested during an upcoming drilling program.

MnO grades of the 37 samples collected from Otse range from 11.9% to 76.1% (excluding two samples from the unmineralized hangingwall with 1.08% and 3.85% MnO). The 58 samples from the K.Hill Prospect were collected from a unit close to the interpreted fault zone. These samples have graded between 11.9% and 65.6%

MnO. Full assay results from these samples are available on Giyani's website at [www.giyanimetals.com](http://www.giyanimetals.com).

On November 16, 2017, the Company announced the discovery of a third high grade manganese prospect near the town of Lobatse (the "Lobatse Prospect") that graded up to 75.4% MnO. A total of 45 grab samples were collected from the Lobatse Prospect area and submitted to SGS South Africa (PTY) LTD laboratories in Randburg, South Africa. Full assay results from these samples are available on Giyani's website at [www.giyanimetals.com](http://www.giyanimetals.com). These 45 samples assayed between 26.7% to 75.4% MnO with an average grade of 55.4% MnO excluding 6 samples taken from the unmineralized hanging wall that were included to improve the credibility of the results.

The Lobatse Prospect is located 30 km south of the Otse Prospect and roughly 40 km east of the K. Hill Prospect. All three prospects are located within the boundaries of the larger, manganese rich, Kanye Project area. Giyani was granted the Lobatse license during the execution of its recent regional sampling and mapping program where high grade manganese continued to show occurrences up to the southern border of license #PL298/2016.

On December 7, 2017, the Company announced positive metallurgical testing results, performed by Dalhousie Minerals Engineering Centre in Halifax, Nova Scotia, Canada, from the MnO bearing rocks sampled at the K.Hill Prospect. Of significance, manganese nodule type material, abundant at K.Hill, can be easily treated using a trammel/gravity/washing process. Manganese found in staining and vein environments suggest only a light grind is required making it physically amenable to hydrometallurgical processes. Hydrometallurgical processing takes the product to a grade higher than 99.7% manganese in the form of electrolytic manganese dioxide (EMD) suitable for the battery industry. As well, the results include positive indications that the percentage of deleterious elements in the rock does not affect quality or recovery. It is recommended that additional testing be performed to determine the recovery of manganese nodules through a screening, washing and/or gravity separation system and that the remainder of the manganese be tested for recovery and purity using hydrometallurgical processes.

### **Mineralization**

A mineralogical analysis was performed on the K.Hill MnO bearing rocks. Four samples were tested to determine the mineralogical composition of the manganese minerals. These samples and the resulting determinations are found in

Table 1. Also, found throughout are haematite, other iron oxides and some pyrite along with silica and in one horizon of the shales; kaolin.

Table 1: Identified and possible manganese minerals in the K-Hill samples sorted by sample

Sample	Description	Mineral	Formula
KH17MT01	Dump Material	Cryptomelane	$K(Mn_7^{4+}Mn^{3+})O_{16}$
		Hausmannite	$Mn^{2+}Mn_2^{3+}O_4$
		Hollandite	$Ba(Mn_6^{4+}Mn^{3+}_2)O_{16}$
		Psilomelane	$BaMn^{2+}Mn_8^{4+}O_{16}(OH)_4$
		Pyrolusite	$MnO_2$
KH17MT02	Altered Shale	Jacobsite	$Mn^{2+}Fe^{3+}_2O_4$
KH17MT03 KH17MT05	Shale with Kaolin	Coronadite	$Pb(Mn_6^{4+}Mn^{3+}_2)O_{16}$
		Cryptomelane	$K(Mn_7^{4+}Mn^{3+})O_{16}$
		Hausmannite	$Mn^{2+}Mn_2^{3+}O_4$
		Hollandite	$Ba(Mn_6^{4+}Mn^{3+}_2)O_{16}$
KH17MT04	Silicified Shale	Psilomelane	$BaMn^{2+}Mn_8^{4+}O_{16}(OH)_4$
		Hausmannite	$Mn^{2+}Mn_2^{3+}O_4$
		Psilomelane group	$BaMn^{2+}Mn_8^{4+}O_{16}(OH)_4$

In terms of presentation, the manganese minerals occur in three forms:

- As staining on the silicates, iron oxides and themselves.
- As small veins, as manganese oxides have been deposited on each other particularly within the well fissured portions.
- As nodules wherein the manganese has built-up into botrydal masses that may contain other minerals within them. This study did not investigate the nodules as this would involve a significant sample to determine their mass percent and size distribution at various locations.

This supergene mineralogy is complex as there are many oxidation states of manganese and a variety of other metals present.

### ***Security of Samples***

All samples were placed in a plastic sample bag along with a sample tag. Bags were sealed with a single use tie. Samples were securely stored prior to shipping to SGS for X-ray fluorescence analysis. The company routinely submits standards, duplicates and blanks with sample batches to monitor the quality of the assays.

### ***Mineral Resource and Mineral Reserve Estimates***

No current mineral resource or mineral reserve estimate.

### ***Exploration and Development Plans***

The Company launched phase 1 of its 2018 field exploration and development program in the first quarter of 2018. This program has two major components:

1. Geophysical surveying
  - a. Regional interpretation and mapping using historical airborne magnetic data to assess the current license areas and focus future exploration efforts
  - b. Ground magnetic and gravity surveys to identify favourable drill targets at the K.Hill and Otse prospects as well as to establish a geophysical signature in the prospective areas defined by the interpretation of regional data
2. Diamond drilling
  - a. Establish and quantify the mineralization at depth and potential at the K.Hill and Otse prospects through diamond drilling

The Company has engaged Lambda Tau, a geological services firm with a proven track record in southern Africa, to undertake Phase 1 of its 2018 operational program. They will be complemented by Remote Exploration Services (“RES”), a geophysical services company that specializes in base metals and industrial minerals with an impressive client base, including BHP Billiton and Rio Tinto.

Work has already begun on assessing the historical data. RES has begun geophysical work with results expected in the second quarter of 2018. Once targets have been identified the diamond drilling programme will commence with the aim of producing a maiden resource early in the third quarter of 2018.

## Geophysical Surveying:

The geophysical component of Phase 1 is designed to provide input into the drilling campaign by identifying the best points to start and the collar spacing. There are two parallel tracks within the geophysical component of Phase 1, aeromagnetic interpretation and ground surveying.

### *Aeromagnetic Interpretation:*

Regional aeromagnetic data exists across the Company's exploration licenses. The aeromagnetic data was collected as part of a regional government survey at a line spacing of 250 meters and flight height of 80 meters and can be used to effectively map geology and structure across the area. Giyani will process and interpret the data in order to prioritise areas of interest for future follow-up, i.e. a regional targeting/prioritization exercise across the entire license area aimed at defining zones of potential manganese mineralization as well as ground sterilization.

The airborne data will be interpreted as follows:

- (1) Grid filtering and image processing will be carried out to highlight features of interest including lithological boundaries and structural discontinuities.
- (2) Unconstrained inversion of magnetic data will be used to create susceptibility depth slices from the magnetic data.
- (3) A geophysical domain and structural interpretation map will be created from the above two steps.
- (4) Based on geological understanding of the manganese host rocks, units of interest will be mapped to prioritize portions of the license for further follow-up work.

### *Ground Geophysical Surveying*

A combination of ground gravity and ground magnetics are planned over the K.Hill and Otse prospects. The objective will be threefold, firstly to establish the geophysical response of the known mineralization, secondly to better resolve the deposits and the extent of their potential in 2D and 3D space, and thirdly to best position a first phase of drilling.

## Resource Drilling Campaign:

Giyani plans to carry out between 1,500 and 2,000 meters of diamond drilling with an estimated 10 to 15 collars at the K.Hill prospect and a further 5 to 10 collars at the Otse prospect. A maximum hole depth of 100 meters is expected, however, shallower depths will allow for more drill holes. Two priority blocks have been identified at both prospects with two to three fences of holes per block expected. The density of the grid should facilitate 3-D modelling, and improve confidence in strike continuity, and dip of the mineralized body, as well as establish variation in grade.

The 3-D geological model, and block resource model will be used to calculate a resource estimate at the K.Hill prospect. Additional drilling at Otse may be required to enable the Company to define a resource at this prospect.

Metallurgical testing and ore processing methodologies will follow up on initial test work to establish high level economic factors for extraction, processability and production of a battery grade product.

## **Giyani Project**

The summary set forth below is based on the summary contained in the technical report prepared for Giyani by G.A. du Plessis, B.Sc. (Geol.), GDE (Civ. Eng.), Pr. Sci. Nat, dated October 29, 2012 and entitled *National Instrument 43-101 Technical Report for the Klein Letaba, Frankie, Birthday, Horseshoe and Louis Moore Projects, Limpopo Province, South Africa, for Rock Island Trading 17 (Pty) Limited and Giyani Metals*

*Corp.* (the “Giyani Technical Report”), without material modification or revision. Defined terms and abbreviations used in the summary below and not otherwise defined herein shall have the meanings ascribed to them in the Giyani Technical Report. The following summary is subject to all the assumptions, qualifications and procedures set out in the Giyani Technical Report. The Giyani Technical Report was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). For full technical details of the Giyani Technical Report, reference should be made to the complete text thereof, which has been filed with the applicable Canadian securities regulatory authorities and has been posted on the SEDAR profile of Giyani at [www.sedar.com](http://www.sedar.com). The Giyani Technical Report is incorporated by reference in this Annual Information Form and the summary set forth below is qualified in its entirety by reference to the full text of the Giyani Technical Report. The technical information contained in this subsection of this Annual Information Form has been reviewed and approved by Robert (Bob) Middleton, the former Vice President, Exploration of the Company, who is a “qualified person” for the purpose of NI 43-101.

### ***Purpose and Project Outline***

Rock Island, registration number 2002/025755/07, which, prior to October 26, 2012 was a joint venture between Scheffer and CMR, holds two Prospecting Rights (LP306PR and LP310PR) in respect of gold exploration projects in the Giyani region of the Limpopo Provinces of South Africa (the “Limpopo Properties”). The intention is to develop these prospective projects through further exploration activities towards production status. Rock Island’s and Giyani’s vision is to become a combined significant role player in the Giyani region gold exploration, development and mining sector. Rock Island also holds the Prospecting Right to the tailings dump (included in LP310PR) on the historical Klein Letaba mine premise.

On October 26, 2012, Giyani completed the acquisition of 100% of the shares of Lexshell 831, the indirect beneficial owner of 36% of the shares outstanding in the capital of Rock Island. As a result, Giyani acquired an indirect 36% beneficial interest in the Limpopo Properties.

Rock Island’s strategy, supported by Giyani, is to develop Giyani’s gold exploration projects in the Giyani region by conducting effective historical data investigation and thereafter fast-tracking exploration and development on the most deserving projects. The management team, with the assistance of independent consultancy companies, has utilized historical data to add project knowledge and value as outlined in the Giyani Technical Report. The shallow mineral assets of the Limpopo Properties represent the Company’s project profile and have the potential to create a sound ounce capacity base from which to accelerate from exploration to scoping study, pre-feasibility study, feasibility study and development phases. The Giyani Technical Report has been compiled to describe and document Rock Island’s gold assets in accordance with the requirements of the TSX-V and applicable Canadian securities laws.

Rock Island’s Black Economic Empowerment (“BEE”) partner is a combination of Malungani Resources (Pty) Limited and a community trust for the benefit of various local communities in the Giyani region. The community trust has not yet been formally established, but 10% of the shares of Rock Island have been reserved for the to-be-created community trust. Rock Island and Giyani engaged a Professional Geologist and Member of the South African Council for Natural Scientific Professionals, to prepare the Giyani Technical Report in support of Giyani’s acquisition of the Limpopo Properties. The Giyani Technical Report covers the techno-economic nature and parameters of the Limpopo Properties in the Limpopo Province, South Africa. The Giyani Technical Report was based on several visits to the prospecting sites; the first during the first quarter of 2004 for geological due diligence in the Giyani region; the second on September 10 to 12, 2010; and the third during October 6 to 7, 2012.

### ***Klein Letaba - Frankie Prospect***

#### **Location**

The Klein Letaba-Frankie prospect is situated west of the town of Giyani in the Limpopo Province of South Africa on un-surveyed state land known as Klein Letaba, in the Greater Giyani Municipality Council Area of the Mopani District of Limpopo Province, bordering the Klein Letaba River at coordinates: E30,55970 and S23,29610 (Long/Lat). The project covers two areas which are separated by the Klein Letaba River with the

historical Frankie mine area located to the northeast and the old Klein Letaba mine area to the southwest of its banks.

### Legal Aspects, Tenure and Agreements

A single Prospecting Right (LP310PR) for the Klein Letaba-Frankie prospect was granted to Rock Island on November 23, 2006 for a period of five years for the exploration of gold and copper. A renewal for the license for a period of three years was lodged with the Department of Mineral Resources (“DMR”) and was granted and executed on July 11, 2012. An Environmental Management Plan (“EMP”) was conducted and approved by the DMR on November 23, 2006. Historically the project area was held under an Old Order Mining Right by OTR Mining Limited Incorporated and ownership changed to Rock Island, on July 3, 2002 under the Old Order Mining Right. Rock Island has not conducted the conversion to the New Order Mining Right and subsequently gained two Prospecting Rights (LP310PR) for the Klein Letaba-Frankie and Birthday prospects and another (LP306PR) for the Louis Moore prospect. On October 11, 2012, Rock Island filed with the DMR a Section 11 transfer application that meets all the requirements, but it has not yet received a decision from the Minister of Mineral Resources (the “Minister”). The Mineral and Petroleum Resources Development Act (“MPRDA”) provides that the Minister must grant consent pursuant to Section 11 if the party seeking confirmation is able to confirm that such party is capable of carrying out and complying with the obligations, terms and conditions of the Prospecting Right and otherwise satisfies the requirements identified in the MPRDA. Giyani’s application is discussed in greater detail in the Giyani Technical Report.

The tailings dump, which is situated proximal to the north of the old Klein Letaba mine and to the south of the Klein Letaba River, is included within the boundaries of the Prospecting Right LP310PR. The current position of the dump footprint is located within the boundaries of the Prospecting Right issued for the Klein Letaba-Frankie prospect.

### History and Historical Exploration

The historical ownership, exploration and development of the Klein Letaba-Frankie mines is summarized below.

#### *Klein Letaba Mine*

The Klein Letaba mine was the largest gold producer in the area during the period from 1960 to 1968, when caving forced the mine to close. The mine comprises a redundant vertical primary shaft and a younger decline shaft dipping towards the east along the strike of the orebody.

The vertical shaft is stripped from its steelworks and is currently being used as a water reservoir for garden irrigation at the village.

The decline of Klein Letaba mine shaft’s infrastructure is of less economic value and the steelwork condition thereof is not recommended for reuse. The shaft has been capped with a concrete slab and steel reinforcement in April 2009 by CMR. It is also flooded and is still equipped with its headgear and men/material carriage. The historical explosive magazine is located in the western slope of the tailings dump.

The Eskom power supply reticulation to the mine is still intact but in poor condition. The substation located to the east of the mine outside the village fence is functional and supplies power to the village and pump at the vertical shaft (reservoir).

Recycling the dump material may be the intention in the future and it may be necessary to investigate the alternative of using some of the material as landfill for the caving-pit at Klein Letaba and the Frankie open-pits. However, strict treatment measures with respect to the tailings will have to be taken prior to the filling operations.

#### *Frankie Mine*

The infrastructure at Frankie mine has been removed and the steelwork at the mine was removed during 1995. The mine openings comprise a vertical shaft located to the east of the open pits and a decline shaft plunging towards the east and located to the west of the pits. Evidence indicates that the scale of open-pit operations conducted was fairly limited, covering an approximate strike distance of 1km along the orebody and comprised mainly of two pits of roughly 70,000m<sup>2</sup> each and totaling approximately 1.2 million m<sup>3</sup>.

The depth of both the decline and vent shafts and any relevant information on the extent of underground mining and infrastructure are unknown.

*Klein Letaba Tailings*

Rock Island launched an investigation on the tailings dump in two phases by MINTEC located in Randburg, South Africa; the first phase was in January 2006 and the second phase was in April 2006. During phase 1, the study revealed that the tailings dump has a mean grade of 0.71g/t and the material particle size is mostly fine with 80% of its mass smaller than 212 microns.

The volumes of the Klein Letaba dump and related properties are shown in the below table:

Klein Letaba Tailings dump volume and area	
Volume	430,570 m <sup>3</sup>
Tonnes	818,083 t
Specific Gravity	Estimated 1.900 t/m <sup>3</sup>

Access and Infrastructure

Access to Klein Letaba is excellent and the infrastructure with respect to mining is well developed and includes:

- the road R578 linking the mine to Mooketsi via Giyani;
- Eskom power lines are part of a major grid and are present at the project areas;
- the town Giyani is located nearby and is a centre of business activities in the area, and potential sources of unskilled and skilled labour may still be available as remnants of historical mining in the area;
- the closest railway to the project site located at the town Mooketsi at a distance of 68km;
- the Hudson Ntsanwisi Dam pipeline, which supplies the town of Giyani;
- the Giyani airport situated to the immediate north of the Siyandhani Village approximately 4km to the west of Giyani; and
- the potential for a new tailings dam footprint area (historical dump footprint area), adjacent and to the east of the existing dump position.

Regional Geological Setting

The geology in the region is of a complex nature in the metamorphic environment of the northern extremity of the Giyani Greenstone Belt (“GGB”) (Sutherland) succession. The GGB is situated within the Archaean granite-greenstone terrane of the northern Kaapvaal Craton and south of the regional Hout River Shear Zone, which influenced the structural metamorphic evolution of the GGB, as described in the Giyani Technical Report.

The area is dominated by folding of mafic and ultramafic sequences of medium-to-coarse grained biotite gneiss with the economically viable mineralized zones confined to the garnet rich meta-quartzite chemical sediments with associated interbedding of banded iron formations (“BIF”) and its sulphide facies enrichment. This metamorphosed volcanic-sedimentary sequence, known as the Giyani Group, is comprised of serpentinite, amphibole, chlorite, talc shists and amphibolite and is overlain by a felsic sedimentary unit altered by acid lava, tuff and phyllite into banded ironstones and meta-quartzite. As a result of poor rock outcrops in the Giyani region due to relatively flat terrain the succession is difficult to recognize; however, this belt forms the lower ultramafic unit of the ideal greenstone belt mode. The thickness of the succession is unknown but modelling of geophysical data revealed that the succession may average a thickness of 1.5km. Further details are available in the Giyani Technical Report.

Local Geological Setting

The lowermost stratigraphy rock units, and presumably also the oldest, are serpentinites and their birbiritic margins. These serpentinites are overlain by a succession of mainly actinolite-schists and talc-tremolite

schists. The contact with the serpentinites appears to be sheared. At the top of these schists a typical thin layer of garnet-amphibolite schist is developed in many places. This layer seems to be a marker horizon and is normally followed or replaced in this position by thin conglomerate, arkose and sandstone horizons together with some phyllite and sericite schists.

The Klein Letaba area is dominated by folding of mafic and ultramafic sequences of medium-to-coarse grained biotite gneiss with the economically viable mineralized zones confined to the garnet rich meta-quartzite chemical sediments at steep dips with associated interbedding of BIF and its sulphide facies enrichment.

The reigning host rock in the area at the Klein Letaba and Frankie prospects comprises ultramafic schists with fine-grained texture, highly foliated and mostly actinolite/tremolite/chlorite as the dominant constituent. The mineralized zone at the Klein Letaba prospect is hosted by meta-sediment and is comprised mostly of quartzitic schist with associated iron formations. The mineralization at the Frankie prospect is hosted in ultramafic green-grey schist and is intensely foliated. The economic sequence historically excavated at the open-pits is a 20m to over 30m wide BIF which is a massive, very resistant rock of dense layers alternating between quartz-rich and iron-rich bands.

### Exploration

Historically, no drilling was conducted by Rock Island on the Klein Letaba-Frankie prospect but geophysical surveys in the form of magnetometry survey traverses on the Frankie prospect were conducted by the of the Giyani Technical Report during 2004, resulting in the detection of positive anomalies.

An extensive, independent due diligence was conducted during the preparation of the Giyani Technical Report during the first quarter of 2004, in an effort to find any information applicable to availability of core, mine plans, logs, and previous due diligence studies, with no success. The only records available were plans only partly displaying development infrastructure of the Klein Letaba mine (none for the Frankie mine) and isolated indications or references to historical mining grades. A visit to and enquiry at the Limpopo Economic Development Enterprise offices in Polokwane, which is also the office of CMR, also did not yield any material or source.

Tentative information on the Klein Letaba prospect was valuable to form an opinion concerning the historical drilling. It is obvious that the nature of a mineralized zone of this kind requires an intensified drill-grid to develop a sound geological model to ensure a sustainable short and long term production plan. No information on approximately 25 historical holes drilled on the Klein Letaba prospect could be found, and since the core is not available for verification it would not be possible to declare a mineral resource.

Subsequent diamond drilling was done by Giyani from July 23, 2012 to October 29, 2012 and a total of 15 holes were drilled to an average hole-depth of 199m. Gold mineralization at composite grades per hole varying from 0.138 to 2.195 g/t was intersected at sample widths 125m and 60m, respectively (KL12-04 and KL12-08) in this rather complex structural regime. Since the exploration efforts are still in an early stage and the collar orientation of these drilled holes are rather randomly distributed, it would be impossible to declare any mineral resource.

No historical drilling or sampling evidence could be found on the Frankie prospect. Several site traverses and investigations revealed no evidence of possible collar beacons of historical geological drill holes.

### Mineral Resources

No underground sampling results, drilling results or drill-cores are available to conduct a mineral resource estimation for the Klein Letaba-Frankie prospect.

### Environmental Issues

There are no negative environmental issues relating to the Klein Letaba-Frankie prospect, to the knowledge of Rock Island and Giyani. The approval for the EMP was granted by the DMR on November 23, 2006 at the time that the right was converted to a new order Prospecting Right.

## Conclusions and Recommendations

The due diligence review of the Klein Letaba-Frankie prospect has highlighted that the geophysical program that started in December 2011 and was completed in June 2012 was a significant milestone in reviving exploration efforts in the Giyani region at new millennium standards.

The primary objective of the due diligence study has been met and the following points are concluded:

- no official historical mineral resource/reserve estimates could be found, and production volumes quoted in the resource management industry are very tentative and could not be used within the boundaries of compliance with the SAMREC and NI 43-101 reporting standards;
- a due diligence review on the available yet sparse historical information and excellent data quality of Giyani's 2012 geophysical and drilling Phase 1 results indicate the existence of the continuation of geological structures and gold mineralization to a depth of over 210m below surface, east from the old Frankie mine for a distance of >600m and at least 400m east and west of the Klein Letaba mine;
- the frequency of 15 holes drilled to date is not enough to attempt developing a structural model useable for the next level of Scoping Study;
- the impact of the geophysical program was successful and sufficient to provide data and information to interpret and extrapolate at least three anomalous geological provinces essential to outlining the three demarcated drilling target geozones;
- the 2012 phase 1 exploration program is, however, not sufficient to enable the compilation of a resource estimate. The holes planned (as shown in the Giyani Technical Report) during phase 2 in 2013 are the minimum requirement and essential prior to attempting to compile such estimate;
- in view of the positive good quality data and information obtained from initial ground traverse induced polarization, VLF Electromagnetic and magnetic survey results with regards to the possible existence and extension of the mineralized zones to the east of the Frankie pits and east and west of the Klein Letaba mine, it is essential to engage in phase 2 of the diamond drilling program;
- Giyani has planned a population of 26 holes (as shown in the Giyani Technical Report) for the next phase and the Giyani Technical Report suggests isolating a group of 11 holes to aim for intersecting gold mineralization at depths of 450m below surface at strategic localities;
- the remainder of 15 holes, carefully selected as per the existing geophysical dataset interpretation, are recommended to be drilled to a depth of at least 300m;
- the total amount of drill-core for phase 2 of exploration is then estimated at 10,000m;
- conduct a process of carefully placing and digging trenches, maybe to the east and west of the mine village, based on geophysical anomalies successfully detected during the previous phase (the anomaly in line with planned K12-17);
- develop the 3D geological structural model and grade model which is essential in the process of potentially compiling a mineral resource/reserve statement; and
- a budget of US\$2.643 million is sufficient to complete this program.

The below table shows the summary of the proposed exploration program:

Exploration Work Program	Phase 1 Actual (ZAR)	Phase 2 Budget (ZAR)	TOTAL (ZAR)
1 Geophysical survey	3,988,094	0	3,988,094
2 Possible trenches at geophysical anomalies	0	0	0
3 Primary phase exploration drilling and sampling	6,262,196	0	6,262,196
4 Secondary phase infill drilling and sampling	0	17,095,000	17,095,000
5 Down-hole geophysical survey	0	517,000	517,000
6 Follow-up trenches depending on drilling results	0	0	0
7 Development of structural and grade models	0	700,000	700,000
8 Labour and onsite overheads	2,209,124	1,062,500	3,271,624
<b>TOTAL</b>	<b>12,459,414</b>	<b>19,374,500</b>	<b>31,833,914</b>

### ***Birthday Prospect***

#### Location and Legal Aspects and Tenure

The Birthday prospect is situated east of the town of Giyani in the area known as Klein Letaba, in the Greater Giyani Municipality Council Area of the Mopani District of Limpopo Province of South Africa, on un-surveyed state land and covers a small area to the north of the Klein Letaba River. The prospect comprises one area located to the north of the river and west of the Mohu Village. The main rural access towards the town of Giyani almost dissects the prospect. The Birthday prospect is situated approximately 7.5km to the east of the town of Giyani and covers an area of 67.68ha.

The Birthday prospect is included in the single Prospecting Right (LP310PR) granted for a period of five years to Rock Island on November 23, 2006 for the exploration of gold (“Au”) and copper (“Cu”). This prospect forms part of the Klein Letaba and Horseshoe prospects’ Prospecting Right. An EMP was conducted and approved by the DMR on November 23, 2006. On October 11, 2012, Rock Island filed with the DMR a Section 11 transfer application that meets all the requirements, but it has not yet received a decision from the Minister.

On October 26, 2012, Giyani completed the acquisition and now holds an indirect 36% beneficial in the Birthday prospect as at that date.

#### History and Historical Exploration

Gazgold went into liquidation in 1995 after producing 1.75 tonnes of gold from the Birthday, Frankie and Klein Letaba prospects, collectively. Historical production figures for the Birthday mine are unavailable, but obvious from the somewhat high gold grades mined, this venture should have been the jewel in the region.

The general mineralized body mined at the Birthday mine comprises a mixture of lithologies with highly erratic gold mineralization. The primary zone of mineralization is associated with multiple irregular layer-like quartz veins inter-layered with banded and massive amphibolite.

The first stoping took place in late 1960 on Level 24. The mine operated with at least eight dedicated production levels and applied mostly breast mining methods in areas where the orebody allowed for it until it was closed in 1995. No evidence in the form of original survey assay tracings plans could be found to develop a resource/reserve estimate. The original surveyed production plan issued by Rock Island only displays stope face positions but not any gold grades. Additional information is available in the Giyani Technical Report.

Evident from this tentative data and the relative high grades recorded, obvious open resource blocks appear to have remained when the mine went into liquidation. This may pose an opportunity for developing a resource via a short exploration drilling program.

No official mineral resource/reserve estimates could be traced and production volumes quoted in the resource management industry are very tentative and could not be used within the boundaries of compliance with NI 43-101.

### Access and Infrastructure

A well-developed infrastructure is available with:

- a dirt road in the process of being upgraded linking the mine to the town of Giyani;
- Eskom power lines (part of a major grid) are present at the edge of the prospect;
- the town of Giyani is situated nearby and is a centre of business activities in the area, and potential sources of unskilled and skilled labour may still be available as remnants of historical mining in the area;
- the closest railway to the prospect site is located at the town of Mooketsi at a distance of 72km;
- the Hudson Ntsanwisi Dam pipeline (commissioned by the former Chief Minister of the old Gazankulu government) which supplies the town of Giyani; and
- the Giyani airport situated to the immediate north of the Siyandhani Village approximately 4km to the west of the town of Giyani.

### Regional Geological Setting

This discussion is the same as for the Klein Letaba-Frankie prospect.

### Local Geological Setting

The Birthday prospect is dominated by folding of mafic and ultramafic sequences of medium-to-coarse grained amphibolite with schist covering the first approximately 15m above the main mineralized quartz zone. The quartz shear zone, with a thickness varying between 0.2m to over 3m, dips approximately 320 towards the north on the eastern section of the prospect and 350 towards the east on the western section close to the reef sub-crop.

The orebody historically mined at the Birthday mine comprises an almost table surface configuration shear zone sulphide-rich deposit, as described in the Giyani Technical Report. Mining during the early 1990s in this shear zone took place in gold enriched multiple irregular layer-like quartz/schist vein package (“Main Zone”) inter-layered with banded and massive amphibolite.

### Exploration

Tentative information was valuable to form an opinion concerning the drilling and sampling efforts during historical days. No relevant geological information pertaining to several holes drilled historically on the prospect could be found.

### Mineral Resources

The stratigraphic persistence and grade of the Main Zone has not been documented during the history of the mine, as far as the author of the Giyani Technical Report could gather, and if so, no information is available. No underground sampling results or drill-cores are available for use in mineral resource estimation.

### Environmental Issues

There are no negative environmental issues relating to the Birthday prospect, to the knowledge of Rock Island and Giyani, and approval for the EMP has been granted by the DMR.

### Conclusions and Recommendations

The scope of the due diligence study conducted on the Birthday prospect was to confirm whether it is possible to define a mineral resource and design an exploration program to upgrade the resource where possible.

Although it is not possible to define a resource from the data available, it is evident that potentially economic mineralization is still present. A due diligence review on the sparse available historical information and recent geophysical work has confirmed the presence of gold mineralization. It is recommended that an extended

exploration program should be conducted in an attempt to add resources to an already mined resource and possible extension of historically mined mineralized zones.

The 2012 magnetometry results indicate positive anomalies that fit the historical underground stoping excavations and the possible presence of mineralization to the northeast of the stoping done in the upper levels of the old mine.

It is obvious due to the nature of mineralization that a dense drill-grid to approximate depths of 180m on the northern part of the prospect is required. The Giyani Technical Report recommends a two phase exploration-drilling program aimed initially, during phase 1, at the development of inferred or indicated resources in the proximal environment of the historical mine workings.

The second phase, exploration infill drilling with associated trenching, would be to develop an understanding of the structural complexity, grade consistency and strike trend prior to developing a 3D geological structural model and grade model.

The proposed exploration budget to cover the above activities at the Birthday prospect was compiled by the author of the Giyani Technical Report and amounts to a value of US\$0.393 million for phase 1 and US\$0.683 million for phase 2.

The below table shows the summary of the exploration program:

Exploration Work Program	Phase 1 Actual (ZAR)	Phase 1 Budget (ZAR)	Phase 2 Budget (ZAR)	TOTAL (ZAR)
1 Primary phase exploration drilling and Sampling	106,084	173,650	0	173,650
2 Geophysical Survey	184,059	200,000	0	200,000
3 Secondary phase infill drilling and Sampling	0	0	729,330	729,330
4 Labour and onsite overheads	657,183	255,000	128,000	383,000
<b>TOTAL</b>	<b>947,326</b>	<b>628,650</b>	<b>857,330</b>	<b>1,485,980</b>

### ***Louis Moore Prospect***

#### Location and Legal Aspects and Tenure

The Louis Moore prospect is situated north of the town of Giyani in the area known as Klein Letaba, in the Greater Giyani Municipality Council Area of the Mopani District of Limpopo Province of South Africa, on un-surveyed state land and covers a large area to the north of the Klein Letaba River. The prospect comprises only one area located adjacent to the Nsama River of which the majority of the prospect is situated to the south of the river. The mine is accessed over a distance of 1km from the main national road R81 linking the town of Giyani and the town of Malamulele to the north. The prospect is situated approximately 11km to the north of the town of Giyani and covers an area of 1,954.84ha.

The single Prospecting Right (LP306PR) for the Louis Moore prospect was granted to Rock Island on April 18, 2007 for a period of five years for the exploration of gold and copper. This Prospecting Right also includes the two historical mines called Courtney and Ophir. On October 11, 2012, Rock Island filed with the DMR a Section 11 transfer application that meets all the requirements, but it has not yet received a decision from the Minister.

On October 26, 2012, Giyani completed the acquisition and now holds an indirect 36% beneficial interest in the Louis Moore prospect as at that date.

A renewal for the license for a period of three years was lodged with the DMR and was granted and executed on July 11, 2012, extending the license expiry date to July 10, 2015. Prior to expiry, an application to

extend for a three year retention permit was submitted to the DMR. This application was submitted by Giyani's partner CMR. At the time, no competing applications were submitted. The DMR confirmed receipt of the application on May 4, 2016.

An EMP was conducted and approved by the DMR on April 18, 2007.

### History and Historical Exploration

The first gold mineralization was drilled at the Louis Moore mine between 1952 and 1955 by the Klein Letaba Mining Company. No evidence in the form of original survey assay plans could be traced to develop a resource/reserve calculation estimate. Isolated plans displaying tentative information with regard to underground development infrastructure could be traced and will be useful in the future.

No official mineral resource/reserve estimates could be traced and production volumes quoted in the resource management industry are very tentative and could not be used within the boundaries of compliance with NI 43-101.

### Access and Infrastructure

Well-developed infrastructure is available:

- the mine is accessed over a distance of 1km from the main national road R81 linking the town of Giyani and the town of Malamulele to the north. The prospect is situated approximately 11km to the north of the town of Giyani;
- access to the prospect is excellent via various rural access roads towards the Xikukwane Village covering a fairly large part of the prospect; and
- a local airport is situated to the west of the town of Giyani approximately 18km from the prospect.

### Regional Geological Setting

This discussion is the same as for the Klein Letaba-Frankie prospect.

### Local Geological Setting

Most of the information provided hereinafter is applicable to the northern section of the Louis Moore prospect, since no detail exists on the southern part. At least five main rock formations are present in the area. Most of the surface area is covered by a thick soil profile overlying the weathered regolith material of amphibolite. This greenish coarse-grained massive rock consisting mostly of pyroxene, amphibole, olivine and phlogopite is replaced close to surface by ferruginous serpentinite. The rock layer that hosts the gold-enriched vein quartz is chlorite schist with a typical friable texture consisting of chlorite flakes.

The principal mineral for which exploration activities will take place is gold that occurs within sheared vein quartz zones dipping 45 degrees northwest. These mineralized veins, of which at least nine were exposed and mined, are confined in a layer of chlorite schist and are truncated pegmatite intrusions cutting unconformably through the underlying granite gneiss.

### Exploration

Literature states that significant exploration drilling has been conducted by Klein Letaba Mining Company historically on the old Louis Moore mine, but no data could be found. Independent due diligence was conducted by the author of the Giyani Technical Report on instruction by Rock Island in an effort to find any information applicable to availability of core, mine plans, logs and previous due diligence studies, with no success. Some incomplete paper copies of borehole sections reveal the stratigraphy intersected but no associated grade values.

### Mineral Resources

No underground sampling results, drill-cores or geological structures on the prospect are available for mineral resource estimation.

## Environmental Issues

There are no negative environmental issues relating to the Louis Moore prospect, to the knowledge of Rock Island and Giyani. The approval for the EMP has been granted by the DMR on April 18, 2007.

## Conclusions and Recommendations

The scope of the due diligence study conducted on the Louis Moore prospect was to confirm whether it is possible to define a mineral resource and design an exploration program to upgrade the resource where possible on this large prospecting area. Neither of these two objectives could be met due to the unavailability of data and information at this stage.

Giyani completed the first array of activities towards proper exploration efforts in May 2012 by conducting a geophysical survey, starting at the locality of the old mine site. The results were positive and indicate a low magnetic signature on the geo-province where mining took place. Interpretation of the results has enabled Giyani to locate collar positions of proposed drill holes effectively.

A two phase exploration program is required to gain sufficient data to construct structural and grade models for the prospect. A budget of US\$0.333 million is estimated for the completion of phase 1 and US\$0.438 million for the completion of phase 2 of the program.

The below table shows the summary of the recommended exploration program:

Exploration Work Program	Phase 1 Actual (ZAR)	Phase 1 Budget (ZAR)	Phase 2 Budget (ZAR)	TOTAL (ZAR)
1 Primary phase exploration drilling and sampling	1,054,426	1,169,600	0	1,169,600
2 Geophysical survey	429,259	0	0	0
3 Secondary phase infill drilling and sampling	0	0	2,310,980	2,310,980
4 Labour and onsite overheads	765,232	197,000	98,500	295,500
<b>TOTAL</b>	<b>2,248,917</b>	<b>1,366,600</b>	<b>2,409,480</b>	<b>3,776,080</b>

## ***Horseshoe Prospect***

### Location and Legal Aspects and Tenure

The Horseshoe prospect is situated 1.2km southwest of the town of Giyani, between the town and the Klein Letaba prospect, in the Greater Giyani Municipality Council Area of the Mopani District of Limpopo Province of South Africa, on un-surveyed state land (as shown in the Giyani Technical Report).

The prospect covers 1171.12ha, comprised of a single area located to the northeast of the main road, R81, linking Mooketsi and Malamulele, and is divided by the Klein Letaba River from west to east.

The Horseshoe prospect is part of a single Prospecting Right (LP310PR) granted to Rock Island on April 18, 2007 for a period of five years for the exploration of gold and copper. On October 11, 2012, Rock Island filed with the DMR a Section 11 transfer application that meets all the requirements, but it has not yet received a decision from the Minister.

On October 26, 2012, Giyani completed the acquisition and now holds an indirect 36% beneficial interest in the Horseshoe prospect as at that date.

A renewal for the license for a period of three years was lodged with the DMR and was granted and executed on July 11, 2012.

An EMP was conducted and approved by the DMR on April 18, 2007.

## History and Historical Exploration

It is unknown when the first gold mineralization was drilled or exploited at the Horseshoe mine and no evidence in the form of original survey assay plans could be found to develop a resource/reserve calculation estimate. Official mineral resource/reserve estimates or related information within the boundaries of compliance with NI 43-101 are unavailable.

It is unknown when the first gold mineralization was drilled or exploited at the Horseshoe mine and no evidence in the form of original survey assay plans could be found to develop a resource/reserve calculation estimate. Official mineral resource/reserve estimates or related information within the boundaries of compliance with NI 43-101 are unavailable.

## Access and Infrastructure

Well-developed infrastructure is available:

- the main national road, R81, traverses through the southeast section of the prospect and also links with the other access route to the area from the R578, located 1km to the south; and
- a local airport is situated to the west of the town of Giyani, approximately 2km to the north of the prospect.

## Regional Geological Setting

This discussion is the same as for the Klein Letaba-Frankie prospect.

## Local Geological Setting

Historical local geological information is unavailable and the first usable information became available through the geophysical survey efforts Giyani made during 2012. Strong magnetic anomalies were detected as revealed by the survey results and may be the same geological regime as seen at the Klein Letaba-Frankie prospect.

## Exploration

No data could be found with respect to any exploration efforts conducted at the historical Horseshoe exploration site. Independent due diligence was conducted, without success, by the author of the Giyani Technical Report in an effort to find any information applicable to availability of core, mine plans, logs or previous due diligence studies. The geophysical work done by Giyani was used to identify potential collar positions for phase 1 drilling of seven bore holes.

## Mineral Resources

No underground sampling results, drill-cores or geological structure on the prospect are available for mineral resource estimation.

## Environmental Issues

There are no negative environmental issues relating to the Horseshoe prospect, to the knowledge of Rock Island and Giyani. The approval for the EMP has been granted by the DMR on April 18, 2007.

## Conclusions and Recommendations

The scope of the due diligence study conducted on the Horseshoe prospect was to confirm whether it is possible to define a mineral resource and design an exploration program to upgrade the resource where possible on this large prospecting area. Neither of these two objectives could be met due to the unavailability of data and information on this very small historical gold exploration site.

Giyani completed the first array of activities towards proper exploration efforts in March 2012 by conducting a geophysical survey, covering approximately 136ha across the locality of the old mine site. These results were positive and indicate strong magnetic signatures, which enabled Giyani to locate collar positions of

proposed drill holes effectively.

A future two phase exploration program is required to gain sufficient data to construct structural and grade models for the prospect. A budget of US\$0.326 million is estimated for completion of phase 1 and the estimate for phase 2 will be available once phase 1 is complete.

The below table shows the summary of the proposed phase 1 exploration program:

Exploration Work Program	Phase 1 Actual (ZAR)	Phase 1 Budget (ZAR)	Phase 2 Budget (ZAR)	TOTAL (ZAR)
1 Primary phase exploration drilling and sampling	827,038	876,534	0	876,534
2 Geophysical survey	671,748	0	0	0
3 Secondary phase infill drilling and sampling	0	0	1,735,147	1,735,147
4 Labour and onsite overheads	885,286	104,241	52,121	156,362
<b>TOTAL</b>	<b>2,384,072</b>	<b>980,775</b>	<b>1,787,268</b>	<b>2,768,043</b>

### RISK FACTORS

Giyani's business, to advance its recently acquired manganese exploration stage assets within the Kanye Basin in south eastern Botswana, Africa, is speculative and involves a high degree of risk. The risk factors listed below could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company.

#### *Nature of the Exploration and Mining Industry*

Giyani's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required to construct mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on Giyani's projects, or the current or proposed exploration programs on any of the properties in which Giyani has exploration rights, will result in any profitable commercial mining operations. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

Estimates of mineral resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; precious metal prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in Giyani not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labor disputes (including work stoppages and strikes), and other unanticipated interruptions.

### ***Additional Financing Needs***

Giyani's ability to continue its business operations is dependent on management's ability to secure additional financing. The Company's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Company's obligations.

Giyani's main funding requirements are for its corporate overhead and satisfaction of its mineral exploration, property and project obligations, including the acquisition of additional mineral properties. The advancement, exploration and development of Giyani's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Company may be required to seek additional sources of equity financing in the near future. While the Company has been successful in raising such financing in the past, its ability to raise additional equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that Giyani will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Company's objectives or obtained on terms favorable to the Company. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of Giyani's properties, or even a loss of property interest, which would have a material adverse effect on the Company's business, financial condition and results of operations.

### ***No Earnings and History of Losses***

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. Giyani has not determined whether any of its properties, including the Kanye and Giyani Projects, contain economically recoverable reserves of ore and currently has not earned any revenue from its projects; therefore, the Company does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. Giyani's operating expenses and capital expenditures may increase in subsequent years with advancing exploration, development and/or production from the Company's properties. The Company does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations, if at all. There is no assurance that new capital will be available, and if it is not, Giyani may be forced to substantially curtail or cease operations.

### ***Volatility of Commodity Prices***

The development of Giyani's mineral properties is dependent on the future prices of minerals and metals, and in particular, the price of manganese. As well, should any of the Company's properties eventually enter commercial production; the Company's profitability will be significantly affected by changes in the market prices of minerals and metals.

The effect of external factors on the prices of manganese, and therefore the economic viability of any of Giyani's exploration projects, cannot be accurately determined at the present time. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) Giyani's properties to be impracticable or uneconomical. As such, the Company may determine that it is not economically feasible to commence commercial production at some or all of its operations, which could have a material adverse impact on Giyani's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities, with the result that depleted reserves are not replaced.

### ***Title Matters***

The acquisition of title to mineral properties is a very detailed and time-consuming process. Giyani may not be the registered holder of some or all of the licenses or rights comprising the Kanye and Giyani Projects. These licenses or rights may currently be registered in the names of other individuals or entities, which may make

it difficult for the Company to enforce its rights with respect to such licenses or rights. There can be no assurance that proposed or pending transfers will be effected as contemplated. Failure to acquire title to any of the licenses or rights at one or more of Giyani's projects may have a material adverse impact on the financial condition and results of operations of the Company.

Once acquired, title to, and the area of, mineral properties may be disputed. There is no guarantee that title to one or more licenses or rights at Giyani's projects will not be challenged or impugned. There may be challenges to any of the Company's titles which, if successful, could result in the loss or reduction of the Company's interest in such titles. Giyani's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

### ***Governmental Regulation***

The mineral exploration and development activities of Giyani are subject to various laws governing prospecting, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in the countries in which the Company has operations. Although Giyani's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Amendments to current laws and regulations governing the Company's operations, or more stringent implementation thereof, could have an adverse impact on the Company's business and financial condition.

Giyani's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of Giyani's future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities that cause operations to cease or be curtailed. Other enforcement actions may include corrective measures requiring capital expenditures, the installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violations of applicable laws or regulations.

### ***Permitting Processes***

Giyani's operations, including the exploration of the Kanye and Giyani Projects, require licenses and permits from various governmental authorities. The Company will use its best efforts to obtain all necessary licenses and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development plans, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of Giyani's properties.

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Company's mineral projects may require the granting of environmental licenses and other permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain, and may not be issued on the terms sought by the Company. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against Giyani for violations of applicable laws or regulations.

### ***Uninsurable Risks***

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or the destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although Giyani takes appropriate precautions to mitigate these risks, its operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Company's future profitability and result in increasing costs.

While Giyani may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Company's business and financial condition.

### ***Competition***

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, Giyani competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources. The Company's ability to acquire properties in the future will depend on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Company will be able to continue to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Company's business and financial condition.

### ***Reliance on Key Personnel***

Giyani currently has a small senior management group sufficient for its present stage of exploration and development activity. The Company's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. Giyani relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on the Company's business, financial condition and prospects.

To operate successfully and manage its potential future growth, Giyani must attract and retain highly qualified engineering, managerial and financial personnel. The Company faces intense competition for qualified personnel in these areas, and there can be no certainty that the Company will be able to attract and retain qualified personnel. If Giyani is unable to hire and retain additional qualified personnel in the future to develop its properties, its business, financial condition and operating results could be adversely affected.

### ***Foreign Currency Risk***

Giyani currently uses the Botswana Pula, South African Rand and the Canadian Dollar as its functional currencies, and the Canadian Dollar as its reporting currency. Operations at the Kanye Project are predominantly conducted and paid in Botswana Pula and United States Dollars. Operations at the Giyani Project are predominantly conducted and paid in Rand. The Company does not hedge any of its operating costs or purchase any forward currency exchange contracts and is therefore exposed to exchange rate fluctuations. Fluctuations in the exchange rate between the Canadian Dollar and Botswana Pula and United States Dollars may also have a significant impact on the Company's results of operations and financial condition. Giyani's assets and liabilities may be subject to the same exchange rate fluctuations that could also have a significant effect on the results of the Company. Giyani cannot predict the effect of exchange rate fluctuations upon future operating results and there can be no assurance that exchange rate fluctuations will not have a material adverse effect on its business, operating results or financial condition.

### ***Conflicts of Interest***

Certain directors and officers of Giyani also serve as directors and/or officers of other companies, including Canoe, that are involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of Giyani are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project or opportunity of the Company. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

### ***Enforcement of Civil Liabilities***

Many of Giyani's key assets are located outside of Canada. As a result, it may be difficult or impossible to enforce judgments granted by a court in Canada against certain of the assets of the Company. In the event of a dispute arising in connection with Giyani's operations in Botswana and South Africa, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions.

### ***Infrastructure Requirements***

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centers and pools of labor, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact Giyani's ability to explore its mineral properties, thereby adversely affecting its business and financial condition.

### ***Foreign investments and operations***

The Company conducts its exploration activities in Botswana and South Africa. The Company's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's profitability or the viability of its affected foreign operations, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Risks may include, among others, labour disputes, invalidation of governmental orders and permits (including permits necessary for executives and key employees to work in Botswana and South Africa), corruption, uncertain political and economic environments, sovereign risk, war (including in neighbouring states), civil disturbances and terrorist actions, arbitrary changes in laws or policies of particular countries, the failure of foreign parties to honour contractual relations, corruption, foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold

exports, instability due to economic under-development, inadequate infrastructure and increased financing costs. In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by the government of Botswana or government of South Africa or by their respective court systems. These risks may limit or disrupt the Company's operations, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation.

The economies and political systems of Botswana and South Africa should be considered by investors to be less predictable than those in countries in which the majority of investors are likely to be resident. The possibility that the current, or a future, government may adopt substantially different policies, take arbitrary action which might halt production, extend to the re-nationalization of private assets or the cancellation of contracts, the cancellation of mining and exploration rights and/or changes in taxation treatment cannot be ruled out, the happening of any of which could result in a material and adverse effect on the Company's results of operations and financial condition.

### **DIVIDENDS**

The Company has never paid any dividends on the Common Shares and currently intends to retain its future earnings, if any, to fund the development and growth of its business. The terms of any future debt or credit facility may preclude the Company from paying any dividends.

### **DESCRIPTION OF CAPITAL STRUCTURE**

The Company's authorized capital stock consists of an unlimited number of Common Shares, of which 81,779,628 are issued and outstanding as of the date of this Annual Information Form.

All Common Shares rank equally as to dividends, voting powers and participation in the distribution of assets. All holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Company, and to attend and cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the board of directors of the Company (the "Board") at its discretion from funds legally available therefor, and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro rata basis the net assets of the Company after payment of liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

## MARKET FOR SECURITIES

### *Trading Price and Volume*

The following table sets forth, on a monthly basis, information relating to the trading of the Common Shares on the TSX-V during the year ended December 31, 2017.

PERIOD (2017)	HIGH (\$)	LOW (\$)	VOLUME
January .....	0.49	0.36	1,075,544
February .....	0.43	0.34	1,579,719
March .....	0.46	0.32	1,095,232
April .....	0.47	0.35	1,022,357
May .....	0.35	0.24	553,895
June .....	0.32	0.26	342,886
July .....	0.48	0.27	935,058
August .....	0.48	0.35	1,219,307
September .....	0.49	0.43	837,224
October .....	0.44	0.29	922,932
November .....	0.33	0.28	693,992
December .....	0.35	0.23	1,297,110

### *Prior Sales*

The following table sets forth the securities of the Corporation that were issued during the most recently completed financial year but not listed or quoted on a market place:

Issue/Grant Date	Type of Security	Number of Securities	Exercise Price	Expiry Date
March 14, 2017	Warrants	1,760,786	\$0.70	September 9, 2018

## DIRECTORS AND EXECUTIVE OFFICERS

### **Board and Management**

The following table sets forth the name and residence of each director and executive officer of Giyani, as well as each such individual's position(s) with the Company, principal occupation(s) within the five preceding years, period of service as a director (where applicable), and beneficial holdings of Common Shares. Each of the directors of the Company will hold office until the close of the next annual meeting of shareholders and until such director's successor is elected and qualified, or until the director's earlier death, resignation or removal.

			NUMBER OF
			COMMON
NAME, RESIDENCE			SHARES
AND POSITION(S) HELD	PRINCIPAL OCCUPATION(S) DURING THE	DIRECTOR	BENEFICIALLY
WITH THE COMPANY	PAST FIVE YEARS	SINCE	OWNED
Duane Parnham Nassau, Bahamas Executive Chairman	Chairman, Giyani Metals Corp. (formerly Giyani Gold Corp) (Nov 2017-present); Executive Chairman, Giyani Metals (Nov 2010-Nov 2017) President, CEO, Director of Canoe Mining Ventures Corp. (Dec 2013-present) and CEO Director of Broadway Gold Mining Ltd. (Oct 2016 to present), Chairman of Nevada Zinc Corp. (Dec 2015 to July 2018);; Director of Trigon Metals Inc (formerly Kombat Copper Inc.) (Oct 2013 - Feb 2015); Director of IC Potash Corp (July 2011-May 2012); Director of Security Devices International (Nov 2011 - Apr 2014)	November 2, 2010	9,382,668
John Petersen Houston TX, USA Director	Executive vice president and director, ePower Engine Systems, Inc. (Oct 2013-Mar 2018), Attorney at law, solo practice (Apr 2014-present), Partner, Fefer Petersen & Company (Dec 2013-Apr 2014) Partner, Etude Fefer Petersen & Cie (Jan 2006 - Dec 2013)	August 2, 2016	55,578
Eugene Lee Toronto, Ontario, Canada Director	Director, Marketing, Hudbay Minerals Inc (Jul 2015 - current); CFO, Commonwealth Silver and Gold Mining Inc. (Apr 2014 - May 2015); CFO, Premier Royalty Inc. (Sep 2012 - Oct 2013); Vice President, Finance, Northgate Minerals Inc. (Apr 2006 - Oct 2011), Director of Nevada Zinc Corporation (Aug 2017 - current), Director of Canoe Mining Ventures Inc. (Dec 2013 - current), Director of Giyani Metals Corp. (Jun 2015 - current)	June 25, 2015	57,216
Scott Breard Toronto, Ontario, Canada Director	Executive Director, DiRoNA Inc. (Oct 2016-present); Partner, Breard Marketing (June 2013-present); President, Raven Financial Services (Dec 2015-May 2016); VP Marketing, Jack Nathan Health (Aug 2013-Aug 2015); Proprietor, Hot Shots Games Inc. (Dec 1999-June 2013)	August 2, 2016	10,000
Robin Birchall Amsterdam, Netherlands CEO and Director	CEO, Giyani Metals Corp. (Nov 2017-present); CEO, Caribbean Americas Energy Ltd. (Jan 2014 - present); Executive Chairman, Silver Bear Resources (March 2013 - June 2017); Director, Forbes + Manhattan (February 2012 - Jan 2014); Vice President, BMO Capital Markets (Aug 2008 - Feb 2012)	November 28, 2017	200,000
Wajd Boubou Toronto, Ontario, Canada President	President, Giyani Metals Corp. (May 2017- present); Service Delivery Executive, Cisco Systems (Sept 2015 - Apr 2017); Service Support Manager, Cisco Systems (Sept 2007 - Sept 2015)	N/A	625,000
Daniel Crandall Toronto, Ontario, Canada CFO	CFO, Giyani Metals Corp. (Aug 2016 - present), Senior Manager, Marrelli Support Services Inc. (Mar 2012 - present)	N/A	36,364

Based on the disclosure available on the System for Electronic Disclosure by Insiders (SEDI) as of the date of this Annual Information Form, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 10,366,826 Common Shares, representing approximately 13% of the total number of Common Shares outstanding.

The members of the Audit Committee are Eugene Lee (Chair), Scott Breard and John Petersen. The

members of the Compensation Committee are Eugene Lee (Chair), Scott Breard and John Petersen. The members of the Corporate Governance and Nominating Committee are Scott Breard (Chair), Eugene Lee and Duane Parnham.

The Board is constituted with two independent directors, being Eugene Lee and John Petersen, and three directors who are not independent, being Robin Birchall, Duane Parnham and Scott Breard.

Additional biographical information on the directors and executive officers of Giyani.

### ***Duane Parnham***

Mr. Parnham is Chairman of the Company. Since the early 1990s, he has successfully developed exploration companies from the start-up stage to fully-permitted projects with considerable resources and reserves. His experience includes working internationally with governments and landowners to identify high-impact and underdeveloped projects, and providing the capital and managerial resources necessary to create shareholder value. Mr. Parnham has founded and developed multiple resource-focused companies, including Forsys Metals (a Toronto Stock Exchange-listed mining exploration company with interests in Namibia), UNX Energy, Angus Mining Namibia Inc., and Temex Resources Corp. Mr. Parnham is a former director of Forsys, UNX Energy, Trigon Metals (formerly Kombat Copper), Angus Mining Namibia Inc., Temex Resources Corp., IC Potash Corp and Nevada Zinc serving as a member of the Audit Committee of Forsys, UNX and IC Potash. Mr. Parnham is also a member of the Board of Directors of Canoe Mining Ventures Corp and CEO & President of Broadway Gold Mining Ltd. He has considerable experience in corporate governance, stakeholder relations, and raising capital, all providing a high rate of success in realizing shareholder value. Mr. Parnham is a graduate of the Mineral Engineering Technology program at Fleming College. Mr Parnham was honored with the Premiers Award for Business in 2018.

### ***Eugene Lee***

Mr. Lee is a mining finance and metals marketing professional with experience in capital markets, financial reporting, corporate governance and base metals marketing. He is currently the Director, Marketing for Hudbay Minerals Inc. and is responsible for the marketing and sales of Hudbay's zinc, copper and molybdenum production.

Mr. Lee is also the Chair of the International Zinc Association's ("IZA") Technical and Market Development Committee and serves as a member of the IZA Executive and Advisory Committee's. He also sits on the board of directors of two other public companies, Nevada Zinc Corporation and Canoe Mining Ventures Inc. Prior roles include executive officer roles with Commonwealth Silver and Gold Mining Inc. and Premier Royalty Inc.

Mr. Lee is a Chartered Professional Accountant with the Institute of Chartered Professional Accountants of Ontario and he commenced his career with PricewaterhouseCoopers ("PwC") in the audit and assurance group before transferring to PwC's consulting practice focusing on corporate bankruptcies and restructurings. Mr. Lee is a graduate of Trinity College at the University of Toronto and holds a Bachelor of Commerce in Economics and Finance.

### ***Scott Breard***

Mr. Breard attended the University of Guelph. He was the sole proprietor of a successful retail store in Mississauga Ontario for 14 years. He has held senior marketing positions at Olhausen Billiards and at Jack Nathan Health Clinics at Walmart and was the President of Raven Financial Services. Mr. Breard is the Executive Director of the DiRoNA Inc. He has served on numerous committees at the Mississauga Golf and Country Club.

### ***John Petersen***

John Petersen has been engaged in the practice of law for 37 years and is a global thought leader on energy storage and sustainability issues. His diverse experience in corporate finance, natural resource development and advanced battery technologies give him a unique perspective on the technical, economic and supply chain challenges of energy storage, vehicle electrification and alternative energy. From February 2003 through January 2007, John served as a director of Axion Power International, Inc., including a two-year stint as board chairman. John is a 1976 graduate of the College of Business Administration at Arizona State University and a 1979 graduate of the Notre Dame Law School. He was admitted to the State Bar of Texas in May 1980 and was licensed to practice as a Certified Public Accountant from March 1981 through December 1990.

### ***Robin Birchall***

Mr. Birchall brings more than eighteen years of experience in the financing and management of resource companies. He was most recently the Executive Chairman of Silver Bear Resources. Previous roles include CEO of a private oil and gas E&P company as well as V.P. Investment and Corporate Banking with BMO Capital Markets (“BMO”), where he completed a variety of high profile transactions for resource companies. Prior to BMO, Mr. Birchall was V.P. Corporate Finance at Canaccord Adams Ltd. Mr. Birchall earned an MBA from the University of Cape Town, a MSc in European and International Politics from Edinburgh University, a Première Dégré en Langues Literature et Civilisation, from Stendahl Université and a BA from Queens University.

### **CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

No individual set forth in the table in “Board and Management” above is, as at the date of this Annual Information Form, or was, within 10 years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company (including Giyani) that:

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days and that was issued while such individual was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or
- (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after such individual ceased to be a director, Chief Executive Officer or Chief Financial Officer, and which resulted from an event that occurred while such individual was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

No individual set forth in the table in “Board and Management” above nor any shareholder holding a sufficient number of securities of Giyani to affect materially control of the Company, nor any personal holding company of any such individual:

- (a) is, as of the date of this Annual Information Form, or has been within 10 years before the date hereof, a director or executive officer of any company (including Giyani) that, while such individual was acting in that capacity, or within a year of such individual ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such individual; or
- (c) has been subject to (I) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with a securities

regulatory authority; or (II) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **CONFLICTS OF INTEREST**

Certain officers and directors of Giyani also serve as directors and/or officers of other unrelated companies involved in the mineral exploration and development business. Additionally, Duane Parnham and Eugene Lee serve on the board of directors of Giyani's 27.3% (subsequent to December 31, 2017, decreased to 19.7%) owned subsidiary Canoe. Consequently, there exists the possibility for such officers or directors to be in a position of conflict. Any decision made by any such officers or directors involving the Company will be made in accordance with their duties and obligations under the laws of the Province of Ontario and Canada. See "Risk Factors – Conflicts of Interest".

### **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

Giyani is not and was not a party to, and none of its property is or was the subject of, any legal proceedings during its most recently completed financial year, nor does the Company contemplate any such legal proceedings.

No penalties or sanctions have been imposed against Giyani (i) by a court relating to securities legislation or (ii) by a securities regulatory authority, nor has the Company entered into any settlement agreements (a) before a court relating to securities legislation or (b) with a securities regulatory authority, during the Company's most recently completed financial year, nor has a court or regulatory body imposed any other penalties or sanctions against the Company.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Duane Parnham, Executive Chairman of Giyani, owns 9,309,168 shares representing 11% of the shares issued and outstanding in the Company.

Outside of Mr. Duane Parnham, no (a) director or executive officer, (b) person or company that beneficially owns, controls or directs, directly or indirectly, more than 10% of the Common Shares, nor (c) any associate or affiliate of any of the persons or companies referred to in (a) or (b) has, or has had within the three most recently completed financial years before the date hereof, any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

### **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

### **MATERIAL CONTRACTS**

The only material contracts that Giyani has entered into (i) since the beginning of its most recently completed financial year or (ii) before the beginning of its most recently completed financial year and that are still in effect, other than contracts entered into in the ordinary course of business, are as follows:

- (a) Definitive agreement with Marcelle to acquire an 88% interest in seven prospecting licenses (PL294/2016 to PL300/2016 inclusive). The agreement also included the completion of the acquisition of 100% interest in five prospecting licenses from Marcelle, the 88% interest in one prospecting license from Everbroad and the 100% interest in Menzi (see "Description of the Business – Three Year History – 2017 Fiscal Year");

## INTERESTS OF EXPERTS

The independent author of the Giyani Technical Report was G.A. du Plessis, B.Sc. (Geol.), GDE (Civ. Eng.), Pr. Sci. Nat.

Eversheds LLP (now Mahons Attorneys) of Sandton, South Africa is named in the Giyani Technical Report as having prepared a title opinion with respect to certain matters pertaining to the Giyani Project.

None of the foregoing experts, nor (where applicable) any partner, employee or consultant of such an expert who participated in and who was in a position to directly influence the preparation of the applicable report, holds, has received, or expects to receive, registered or beneficial interests, direct or indirect, in Common Shares or other property of the Company or any of its associates or affiliates representing 1% or more of the outstanding Common Shares.

MNP LLP, Chartered Accountants, the auditors of Giyani, have advised that they are independent with respect to Giyani within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

## AUDIT COMMITTEE INFORMATION

### Audit Committee Charter

The Board has adopted a Charter for the Audit Committee, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached hereto as Appendix "A".

### Composition of the Audit Committee

The Audit Committee currently consists of Eugene Lee, Scott Breard and John Petersen, all of whom are 'financially literate' (as defined in National Instrument 52-110 – Audit Committees ("NI 52-110")) and two of which are 'independent' (as defined in NI 52-110). The Audit Committee met four times during the year ended December 31, 2017.

### Relevant Education and Experience

The following brief biographies describe the education and experience of each member of Giyani's Audit Committee that is relevant to the performance of each such member's responsibilities.

**Eugene Lee:** Mr. Lee is a graduate of Trinity College at the University of Toronto and holds a Bachelor of Commerce in Economics and Finance. He articulated with PricewaterhouseCoopers ("PwC") in the audit and assurance group and is a Chartered Professional Accountant ("CPA") with the Institute of Chartered Professional Accountants of Ontario. During his tenure with PwC, he transferred to their consulting practice focusing on corporate bankruptcies and restructurings. In subsequent roles, he has led the finance functions of several public companies, including as Vice President, Finance for Northgate Minerals Corporation, CFO of Premier Royalty Inc. and CFO of Commonwealth Silver and Gold Mining Inc. He is also the owner and president of Capstone Advisory Group Inc. (Ontario incorporation), a consulting company which provides accounting, advisory and audit support services for public and not-for-profit entities.

**Scott Breard:** Mr. Breard attended the University of Guelph. He was the sole proprietor of a successful retail store in Mississauga Ontario for 14 years. He has held senior marketing positions at Olhausen Billiards and at Jack Nathan Health Clinics at Walmart and was the President of Raven Financial Services. Mr. Breard has recently co-founded the IR firm Inside Investing Inc. He has served on numerous committees at the Mississauga Golf and Country Club.

**John Petersen:** John Petersen has been engaged in the practice of law for 37 years. John is a 1976 graduate of the College of Business Administration at Arizona State University and a 1979 graduate of the Notre Dame Law School. He was admitted to the State Bar of Texas in May 1980 and was licensed to practice as a Certified Public Accountant in Texas from March 1981 through December 1990.

### Pre-Approval Policies and Procedures

As set out in the Audit Committee Charter, one of the Audit Committee’s primary duties is to pre-approve all non-audit services to be provided to Giyani or its subsidiaries by its external auditor.

### External Auditor Service Fees

The following table discloses the fees billed to Giyani by its external auditors (MNP LLP) during the last two financial years.

FINANCIAL YEAR ENDING	AUDIT FEES <sup>(1)</sup>	AUDIT-RELATED FEES <sup>(2)</sup>	TAX FEES <sup>(3)</sup>	ALL OTHER FEES <sup>(4)</sup>
December 31, 2016	\$17,000	\$0	\$0	\$0
December 31, 2017	\$20,000	\$0	\$0	\$0

Notes:

- (1) The aggregate fees billed for professional services rendered by the auditor for the audit of Giyani’s annual financial statements.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of Giyani’s financial statements and that are not disclosed in the “Audit Fees” column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services rendered by the auditor in connection with the listing of the Common Shares on the JSE and the Qualifying Transaction.

### ADDITIONAL INFORMATION

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of Giyani’s securities, and securities authorized for issuance under equity compensation plans, as applicable, will be contained in the Company’s management information circular to be filed in connection with its annual shareholders’ meeting to be held later this year. Additional financial information is provided in the Company’s financial statements and related management’s discussion and analysis for its most recently completed financial year. Additional information relating to Giyani may also be found under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

## APPENDIX “A”

### AUDIT COMMITTEE CHARTER

#### PURPOSE OF THE AUDIT COMMITTEE

The purpose of the Audit Committee is to fulfill the applicable public company audit committee legal and regulatory obligations and to provide assistance to the Board of Directors (“the Board”) to enable it to fulfill its oversight responsibilities in relation to the financial reporting process, the system of internal controls and the audit process and management of significant risks to Giyani Metals Corp. (“the “Corporation”), as they relate to financial reporting.

#### *Audit Committee Mandate*

The Audit Committee (the “Committee”) is appointed by the Board to assist the Board in fulfilling its oversight responsibilities of the Corporation. In so doing, the Committee provides an avenue of communication among the external auditors, management and the Board.

The Committee's purpose is to ensure the integrity of financial reporting and the audit process, and that sound risk management and internal control systems are developed and maintained. In pursuing these objectives the Audit Committee oversees relations with the external auditors, and reviews the effectiveness of the internal audit function.

#### STRUCTURE OF THE COMMITTEE

#### *Composition*

The Audit Committee is a standing committee of the Board and will be composed of not less than three directors, with not more than one Director being a Corporate Officer, related party or employee of the Corporation.

#### *Quorum*

A quorum of the Committee will be a majority of members present in person, by telephone or any combination thereof.

#### *Appointment of Members and Chairman*

Members of the Committee shall be appointed by the Board annually on the recommendation of the Corporate Governance & Nominating Committee to hold office at the pleasure of the Board. No more than two members of the Committee will resign from the Committee in any given year.

#### *Chairman*

The Board shall appoint one of the members as the Committee Chair. In the absence of the Chair from any meeting, the Committee shall appoint a member to be the Chair for the purposes of the conduct of that meeting.

#### *Qualification of Members*

Members of the Committee shall meet applicable requirements and guidelines for audit committee service, including requirements and guidelines with respect to being independent and unrelated to the Corporation and to having accounting or related financial management expertise and financial literacy.

The determination as to whether a particular Director satisfies the requirements for membership on the Audit Committee shall be made by the full Board.

#### *Vacancy*

A vacancy occurring in the membership of the Committee may be filled by the Board at its discretion, but in any event, the Board shall fill any vacancy to ensure a minimum of three members on the Committee at all times.

### ***Number and Timing of Meetings***

The Audit Committee meets at least four times a year, with meetings being scheduled to permit timely review of quarterly and annual financial statements. Additional meetings may be held at the discretion of the Chair or at the request of a member, external auditors or management.

### ***Secretary***

A secretary shall be designated and that person shall act as recording secretary for the Committee and produce Minutes of the meetings.

### ***Meetings with Management and External Auditors***

The Committee shall meet separately with management and external auditors at least once per quarter and shall meet at such other times, as the Committee deems appropriate.

### ***Notice and Place of Meetings***

Notice of time and place of meetings shall be communicated to members of the Committee no less than 24 hours prior to the time set for the meeting, provided that any member may waive such notice.

A member of the Committee who attends a meeting for the purpose of objecting to whether the meeting was lawfully called shall not be considered to have waived required notice.

### ***Invitees***

By invitation of the Chair, individuals who are not members of the Committee may attend meetings from time to time and may participate in discussions related to issues before the Committee.

### ***Minutes and Procedures of Meetings***

Subject to statutory requirements and by-laws of the Corporation, the Committee may set its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee considers it appropriate, but in any event not later than the next Board meeting. Minutes of the Committee meeting shall be tabled at the next Board of Directors meeting.

### ***Delegation of Responsibilities***

The Committee may delegate to any person or committee of persons any of the Committee's responsibilities that may be lawfully delegated.

### ***External Auditors***

External auditors are ultimately accountable to the Board and shall report directly to the Audit Committee. The external auditors are accountable to the Board and the Audit Committee as representatives of the shareholders

### ***Mandate***

The Committee will review and reassess the adequacy of the Audit Committee Mandate on an annual basis to ensure that it accurately specifies the scope of the Committee's responsibilities and adequately sets out how it carries out those responsibilities.

## **PRIMARY RESPONSIBILITIES OF THE COMMITTEE**

The Committee's primary duties and responsibilities are as follows:

- Review and recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and the compensation to be paid to the external auditor.
- Assume direct responsibility for overseeing the work of the external auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- Pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by its

- external auditors.
- Review the Corporation's financial statements, Management Discussion and Analysis and annual and interim earnings press releases before such documents are publicly disclosed by the Corporation.
- To satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures.
- Establish procedures for a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

### ***Authority of the Committee***

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it. The Committee shall also have the authority to communicate directly with the external auditors.

### **DUTIES OF THE COMMITTEE**

#### ***Compliance***

The Committee is ultimately responsible for ensuring the Corporation's compliance with legal and regulatory requirements in respect to financial reporting and disclosure.

The Committee, on behalf of the Board, is responsible for monitoring management's actions in this regard to ensure that the Corporation has implemented appropriate systems to identify and monitor the response by Management and the Board of Directors to such issues as:

- Significant business risks.
- Legal, ethical and regulatory compliance.
- Internal systems of control and the effectiveness of such internal controls to ensure compliance with policies and procedures.

#### ***Meetings***

Preparing minutes of all of its meetings and submitting same to the Board of Directors for approval and having the Chairman of the Audit Committee report to the Board of Directors on all significant issues addressed at the Audit Committee meeting.

Reviewing the interim and annual financial statements as well as the Corporation's financial disclosures and related party transactions.

#### ***Internal Controls***

The Committee is responsible for maintaining the integrity and quality of the Corporation's financial reporting and systems of internal control by overseeing management's system of internal control and reporting process in respect to those controls.

#### ***External Auditors***

- Reviewing and ensuring the qualifications and independence of the Corporation's external auditors.
- Making recommendations to the Board in respect of appointment or re-appointment of external auditors for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation and making recommendations to the Board of Directors on the compensation for the external auditor.
- Overseeing and evaluating the performance of the external auditors.
- Reviewing the annual audit plan prepared by outside auditors and Management (CFO and CEO) in

addition to proposed audit fees.

- Reviewing the external audit process and determining whether it has been effectively carried out and whether any matters that the external auditors wish to bring to the attention of the Board have been afforded adequate attention.
- Assessing the external audit function with a view to whether external auditors should be appointed or re-appointed. Such responsibility of the Committee shall include the appointment, retention, termination, compensation and oversight of the external audit function.
- Pre-approving all auditing services and non-audit services to be performed for the Corporation by the external auditors.
- Meeting separately with internal audit, external audit and management at least quarterly to assess issues and make determinations on whether issues need to be taken to the Board for review and assessment.
- Evaluating independence of the external auditor in accordance with Canadian professional requirements, and determining whether disclosed relationships or services may impact the objectivity and independence of the auditors and whether such independence has been documented in written correspondence to the Committee.
- Overseeing any work of the external auditor that includes the resolution of disagreements regarding financial reporting between management and the external auditors.
- Evaluating the external audit process and determining whether the external audit has been completed in accordance with applicable law.

### ***Financial Reporting***

- Reviewing annual and interim financial statements of the Corporation.
- Reviewing changes in significant accounting policies and evaluates impact on the current and future financial statements of the Corporation.
- Preparing, if required, an Audit Committee report for inclusion in the Corporation's annual management proxy circular in accordance with applicable rules and regulations.
- Ensuring the effectiveness of disclosure controls and procedures to ensure material information potentially requiring public disclosure is made known in a timely fashion to senior officers of the Corporation.
- Being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assessing the adequacy of those procedures.
- Reviewing and recommending to the Board of Directors for approval the public release and filing of any annual audited consolidated financial statements and quarterly unaudited consolidated financial statements of the Corporation, including news releases and management's discussion and analysis ("MD&A").
- Reviewing the information contained in the Corporation's quarterly reports, annual report to shareholders, MD&A, Annual Information Form (AIF), prospectuses and other disclosures determining if such information is complete and fairly presented.
- Reviewing material litigation and tax assessments in order to determine if any such matters may have a material impact on the financial position of the Corporation.
- Considering the Corporation's annual financial statements and ascertaining after a review with external auditors and management whether they are presented fairly in all material respects in accordance with generally accepted accounting principles, whether the selection of accounting policies is appropriate and whether the annual financial statements are recommended to the Board of Directors.

### ***Reviewing Terms of Reference and Committee's Performance***

The Committee should routinely assess its effectiveness against the mandate and shall report regularly to the Corporate Governance & Nominating Committee and Board of Directors on that assessment.

### ***Reviewing Reports to Shareholders***

When required by applicable statute or regulation, the Committee shall prepare reports to shareholders regarding the activities undertaken in the discharge of its responsibilities. A report will be prepared by the Audit Committee for inclusion in the annual report as required.

### **MEETINGS AND OPERATING PROCEDURES**

- In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman.
- A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each Director of the Corporation in a timely fashion.
- The Chairman of the Committee shall prepare and/or approve an agenda in advance of each meeting.
- The Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation's financial policies and disclosures.
- The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors in advance of meeting dates.
- The Committee should meet privately in executive session at least quarterly with management, the external auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.
- In addition, the Committee or at least its Chair should communicate with management and the external auditors quarterly to review the Corporation's financial statements and significant findings based upon the auditor's limited review procedures.
- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee expects that, in discharging their responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

The Committee shall review and reassess the adequacy of this Charter at least annually, submit it to the Board for approval and ensure that it is in compliance with the TSX Exchange and OSC regulations.

### **GENERAL**

In addition to the responsibilities and duties of the Committee stated above, the Committee shall attend to the following items;

- Review the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation. Review business practices undertaken by senior management to assess appropriateness with corporate policies.
- Review complaints procedures and whether they adequately track and record complaints to the Corporation regarding accounting, internal accounting or auditing matters.
- Engage and pay independent counsel and other special advisors as it deems necessary from time to time in order to carry out Audit Committee duties.
- Investigate any activity of the Corporation as it deems appropriate. All employees of the Corporation are required to cooperate with the efforts or enquiries of the Committee.
- Retain persons having special expertise to assist it in the performance of its duties.
- Communicate with the Board to ensure sufficient funding for the Audit Committee to permit it to fulfill its responsibilities.
- Make provision for confidential, anonymous submission by employees of the Corporation of concerns regarding accounting, internal accounting controls or auditing matters, ensuring that the existing processes adequately provide for such submission and establishing a process whereby the external auditor will receive timely notice of any such submission.
- Review at least annually the risk management and insurance programs

- Review any issues referred to the Committee by the Board of Directors.

The procedures set forth herein have been set out as guidelines only as opposed to inflexible rules and the Committee may alter these procedures as it deems necessary in order to perform its responsibilities.