Report on the Kwedilima Cheetah Property, Handeni Region, Handeni - Tanga Rural District, Tanzania

Latitude: 5°33’47”S
Longitude: 37° 50’35”E

Prepared For Zanzibar Gold Inc. (formerly, Moshi Mountain Industries Ltd.)
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Date: July 13, 2017

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1. SUMMARY

This report is prepared to describe and recommend an exploration program on an area (the "Subject Property" and "Property") of part of prospecting license PL 11043/2016 (covering a portion of the original N500 Bondo Gold Property) which is optioned to Zanzibar Gold Inc. ("Zanzibar Gold").

The Property is located in 35 kilometres southwest of the city of Handeni, Tanzania and west of the village of Kwamagome, in the Handeni - Tanga Rural District, United Republic of Tanzania, East Africa and is centered on 5°33'47"S and 37° 51'35"E.

PL 11043/2016 which includes the Subject Property, is 100% owned and held by AFGF (Tanzania) Limited ("AFGF").

On September 30, 2016, Zanzibar Gold entered into an option agreement with AFGF whereby Zanzibar Gold acquired a right to earn an 80% interest to approximately 150 hectares of PL 11043/2016.

Exploration work on the whole PL 11043/2016 (when it was called the N500 Bondo Property) consisted of geological mapping, reconnaissance and detailed soil geochemical sampling and pitting and trenching. This work identified the continuation of a multi-element anomaly with gold for 2-3 kilometres extent and possibly crossing the whole PL as well as the recent auriferous alluvium deposition that fills the valleys, adjacent to the ridges of outcrop that host the main auriferous structures in the western part of the PL including the Subject Property.

The Subject Property portion of PL11043/2016 of this report lies just south of this trend and where most of the regional exploration was completed and is part of the main drainage system that is associated with the identified mineralization. No mineralization has been identified on the Subject property.

The auriferous alluvium identified in this exploration work which is wholly to the north of the Subject property is a very low energy gradient valley that appears to be un-stratified with the gold pay streak found in all the subsidiary drainages both to the north and south of the property located at 6-7 metres depth.

Coarse gold flakes, up to 2mm in size, are found within the adjacent valley alluvium which feeds into the main valley where the Property is located.

To date all exploration work in the area is to the north of the Subject Property has identified zones of gold mineralization associated with placer alluvial deposition. The Subject Property is located on the main river valley that is fed by these subsidiary drainages.

No mineral resources or mineral reserves as defined by National Instrument 43-101 have been defined on the Subject Property of this report.

The author concludes that the Property of this report merits further exploration. It is recommended that placer be test mined and if warranted a mining license be permitted.

A two phase program of exploration, trenching and pitting on the placer deposit is recommended to identify the scope of the gold mineralization, at a total budgeted cost of $385,000 for the Subject Property.

2. INTRODUCTION

This report was requested by Souhail Abi Farrage of Zanzibar Gold (formerly Moshi Mountain Industries Ltd.) to summarize the exploration work completed in the region and on the Property and provide detailed information on the Property area and to outline exploration programs on the Property.
This report is also prepared to address the regulatory requirement of Zanzibar Gold, assist in its listing application on the Canadian Securities Exchange and financing the proposed exploration and development program.

The regional geology, location and other general information is based on work done in the region, and specifically the area to the north for this "technical report", under the direction of its contract exploration manager, Laurence Stephenson, a P.Eng. and Ramandhani Ndonde who independently supervised the recent exploration on the property. The property geology is alluvial with no observed outcrops. Work done on the property is physical work to uncover the suspected gold bearing layer in the alluvium of the main drainage. The author was able to review all the data collected during the field work being conducted in early 2012 – 2014 and observed the physical work done in 2015.

The author had discussions with Mr. Stephenson, Mr. Paschal Musira, the project manager, with respects to the geology and their observations of the area. The author has acquired data from sources that he believes are reliable with respects to the geology and location of mineralization and from his observations. In writing this report the author relied on his observations in the field, and knowledge of Tanzania and its geology, public information from the internet, as well as the corporate and property information supplied by True Zone Resources Inc. He also examined reports and maps published by the Government of Tanzania, and other relevant reports, papers and data in the public domain, they are cited in the reference and as this property has had no specific reports on it, are general references. The author also reviewed the option agreement between AFGF and Zanzibar Gold dated for reference September 30, 2016. The author visited the Property most recently on August 25th of 2016. The investigations on the property consisted of 4-6 hour checking the geology of the property, the work performed on the surrounding area.

3. RELIANCE ON OTHER EXPERTS

For the purposes of this report, the author has relied on ownership information provided and has reviewed the title opinion of Sub Sahara Law Chambers dated September 27, 2016. The author is relying on the title opinion solely with respect to the ownership of the Property as stated under the following sections of the report: Summary, and Property Description and Location.

The author is wholly responsible for all the technical observations, interpretations and conclusions.

4. PROPERTY DESCRIPTION AND LOCATION

The Subject Property (the Kwedilima Cheetah Property) is located west of the village of Kwamagome, 35 kilometres southwest of the city of Handeni in the Handeni Region, Handeni - Tanga Rural District, United Republic of Tanzania, East Africa and is centered on 5°33'47"S and 37° 51'35"E.

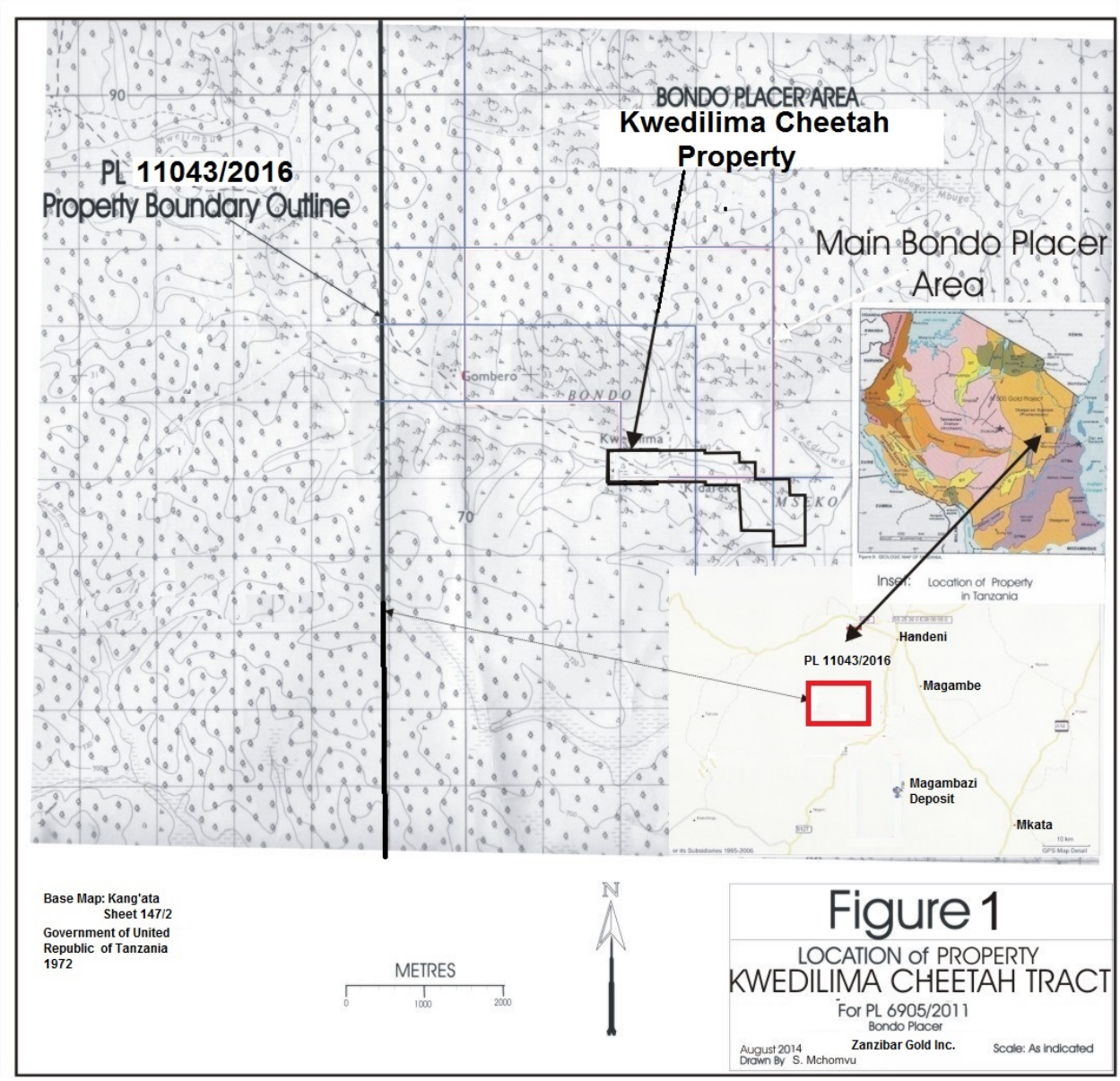
As at September 27, 2016, the Subject Property's exploration rights are 100% held in the name of AFGF. On September 30, 2016, Zanzibar Gold entered into an option agreement with AFGF whereby Zanzibar Gold acquired a right to earn an 80% interest to approximately 150 hectares of PL 11043/2016, which consists of 105 km^2 in total area.

The Subject Property is located west of the main Morogoro – Handeni highway with the central area located 8 km west of the village of Kwamagome consists of 150 hectares that is part of the overall PL 111043/2016. It is called the Kwedilima Cheetah Property, is centered on 5°33'50"S and 37° 50'48.5"E and the corner locations of that 150 hectare portionare listed in Table 1.

The PL 11043/2016 was issued on September 19, 2016, and grants rights for a period of 48 months effective from the grant date to carry on prospecting operations, and execute other such operations as are necessary for that purpose. The subject property is part of that PL

TABLE1

Corner Post	southing (line north)			Easting			
NW	5	33	43.1	37	50	35.9	42SE43NE45NW
NWe1	5	33	43.1	37	51	17.9	50NE
NWe2	5	33	47.4	37	51	17.9	51NW
NWe3	5	33	47.4	37	51	43.1	51NE
NWe4	5	33	50.7	37	51	43.1	53NW
NEw4	5	33	50.7	37	51	51.5	53NE
NEw3	5	33	57.2	37	51	51.5	54NW
NEw2	5	33	57.2	37	52	8.3	54NE
NEw1	5	34	3.7	37	52	8.3	57NE58NW54SE
NE	5	34	3.7	37	52	16.7	58NE
SE	5	34	23.2	37	52	16.7	59SE
SEw1	5	34	23.2	37	51	59.9	59SW
SEw2	5	34	16.7	37	51	59.9	56SE57SW59NW
SEw3	5	34	16.7	37	51	43.1	55SW
SWe3	5	34	0.4	37	51	43.1	52SE
SWe2	5	34	0.4	37	51	17.9	52SW
SWe1	5	33	56.1	37	51	17.9	50SE
SW	5	33	56.1	37	50	35.9	45SW



Location of the PL co-ordinates of the optioned Subject Property was done by map application of ARC 1960 Grid coordinates.

The Subject Property is **not** subject to any royalties, back-in agreements other payments or encumbrances.

On September 26, 2014, Moshi Mountain Industries Ltd. (now Zanzibar Gold Inc.) entered into a sub-option agreement with True Zone Resources Inc. and AFGF Holdings in relation to the Subject Property, which provided Zanzibar Gold the right earn to an 80% interest (the "True Zone/AFGF Holdings Sub-Option Agreement"). The True Zone/AFGF Holdings Sub-Option Agreement has since lapsed is void and no longer in effect.

On September 30, 2016, Zanzibar Gold entered into an option agreement with AFGF in relation to the Subject Property, providing Zanzibar Gold with the right to earn an 80% interest in the Subject Property subject to the following terms:

> Zanzibar Gold or its assign can acquire an 80% undivided interest in and to the Property free and clear of all charges, encumbrances and claims in consideration for:
>
> (i) cash payment of $25,000 to the AFGF (which has previously been paid);
>
> (ii) issuance of 500,000 common shares of Zanzibar Gold to AFGF with a deemed price of $0.02 per share on or before September 26, 2017 (which has previously been issued);
>
> (iii) incur $75,000 in exploration expenses on or before September 26, 2016 (which has been incurred); and
>
> (iv) an additional $75,000 in exploration expenses on or before December 31, 2016 (Completed)

AFGF further granted the Issuer an option to purchase up to an additional 20% interest in the Subject Property (the "Second Option") upon exercise of the option by Zanzibar Gold to earn an 80% interest in the Property.

The Second Option may be fully exercised to attain a further 20% legal and beneficial interest in the Subject Property (for an aggregate of up to 100% legal and beneficial interest in the Subject Property) for a 3 year period from the execution of this Agreement in consideration for further payments of:

> (i) $1,000,000 for each additional 5% interest in the Subject Property for up to $4,000,000; or
>
> (ii) $3,000,000 for an additional 15% interest in the Subject Property whereby Zanzibar Gold may at its sole discretion, pay a further $1,000,000 for a 3% net smelter return (the "Royalty") calculated in accordance with the terms and conditions set out in Schedule "B". Zanzibar Gold shall be entitled to an option to repurchase up to 2% of the Royalty thereby reducing the Royalty to as low as 2% or 1% net smelter return as the case may be, which may be exercisable at any time, upon Zanzibar Gold giving AFGF notice of exercise together with $1,000,000 for each 1% net smelter return for an aggregate of up to $2,000,000.

A Prospecting License grants exclusive exploration rights over an area not exceeding 300 km² for a period of four years. Annual work expenditures are US$300/km² for the initial 4-year period. Annual land rents are US$100/km² for the initial 4-year period. Quarterly reporting of exploration activities is required but no other permitting to conduct exploration is required. The annual expenditure requirement for the whole PLis US$31,500. This amount represents approximately 20% of the proposed budget for Phase I. US$10,500 will be paid by AFGF or, if necessary, will be paid by Zanzibar out of the contingency funds for Phase I.

Surface rights are not part of a mineral license and agreement should be made with the lawful occupiers of land and their written consent obtained to carry /out mining or prospecting operations. There are no known environmental liabilities to which the Properties are subject. No reported showings are located within the boundaries of the Subject Property.

There are no additional permits that must be acquired to conduct the work proposed for the Subject Property.

The author is unaware of any other significant factors and risks that may affect access, title, or the right or ability to perform work on the Properties.

5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND TOPOGRAPHY

Access to the Subject Property is south and west from the regional centre of Handeni with an approximate population size of 250,000 people, along the gravel Secondary Highway Handeni Morogoro Highway, and the main Tanga – Handeni Highway west of Handeni, to the property approximately 5 and 10 kilometres, respectively, from the city of Handeni (Figure 1). The highway which is used by cars buses and trucks is passes through the north and western portion of the Tanzania Property. Paths and roads transect the whole PL. and the power grid is at Handeni. Accessing the area of the PL where the Property is located, along any of the "roads" with a 4-wheel drive truck is not difficult.

Topography in the area is moderate to gentle between 600 metres to over 660 metres. The land is open pasture or wooded parkland of the Tanzanian interior plateau with typical moderate to thin forest vegetation of the plateau area in the higher elevations. There is a mix of acacia trees with palms and other African species through the area. Undergrowth brush is typically thin with taller grasses in the areas of the rivers.

Tanzania's has four main climatic zones with this area's (the Subject Property's) climate a mix between the eastern interior plateau and the humid coastal plain area with 600 mm of annual precipitation in two rainy seasons, mid-March through May, November through December and temperatures in excess of 30° C.

Water is available from local wells and from nearby rivers which flow intermittently.

In Tanzania, mining is a recent development and local mining personnel are available but the scope of their experience is limited and training and supervision by expatriates will be necessary. Geologists educated in Tanzania are available for exploration work, having been variably trained for exploration and production skills by the major mining companies which are locally active. Handeni would be able to supply most casual labour needs.

The Subject Property optioned to Zanzibar Gold is sufficient in terms of area and topographic relief for potential tailings storage areas, waste disposal areas, and a processing plant site. Year round exploration

is possible. Tanzania has had several mines developed over the past 20 years and no impediment to development of operations is anticipated.

6. HISTORY

Gold was exported from Tanzania following the penetration of Arab traders during the 16th to 19th centuries. However, the first commercial mines were developed in 1909 by German colonists at Sekenke in the Lake Victoria goldfields. Following World War I, gold production grew steadily for about 30 years, but then declined. By 1967 output had all but ended as a result of the fixed gold price. There has been a strong revival in gold mining recently based on modern geological models, technologically advanced recovery methods and strategic investment. Gold production reached 1.75Moz in 2008, making Tanzania the third-largest gold producer in Africa.

Ruby deposits were discovered in the 1970s near Morogoro and diamonds in the Shingyanga area.

Artisanal gold mining activity has been noted in recent times in the vicinity of the Subject Property.

The region of the Subject Property was first investigated by the original property owner in 2005 when he was following up on the Ashanti Gold regional exploration work. The artisanal gold miners in 2010 were following up the placer gold in the river alluvium from the rivers draining the area to the north of the property.

Recent Placer workings have been identified to the north and south of the property. Prior to Zanzibar's involvement in the area, there is no recoded exploration for the Property.

The area of Property were originally granted to Abdalla Selemani in February of 2011, and subsequently transferred to AFGF Holdings in June of 2011. AFGF originally granted True Zone an option in the area which included the Subject Property, in December 2013. The author is unaware of ownership of the Subject Property or the Subject Property prior to February 2011.

During 2011/12, in association with its work in the area, AFGF Holdings conducted the first regional and detailed exploration of this area north of the Magambazi gold discovery (owned by East Africa Metals). This work included taking grid soil samples digging several trenches and numerous pits, as well as conducting regional survey forays that collected soil and stream samples as well as detailing the geology.

In late 2013 and early 2014, True Zone (option with AFGF) conducted an exploration program to relate the alluvial gold in the valleys to the outcrop gold by trenching and pitting across the valley of the artisanal workings. This exploration work on the intermittent stream drainages that feed the main valley of the Subject property, investigated the alluvial gold in subsidiary valleys that fed into the main valley in which the presence of gold was detected in the alluvium in drainages to the north and south of the main drainage. It was concluded that the main valley drainage (which is contained in the Subject Property) would also be auriferous.

In total over $800,000 was spent on exploration in the area of the PL which the Subject Property is a part of) since 2011 up until April of 2014.

PL 11043/2016 was applied for and then transferred on September 27, 2016 to AFGF which grants rights for a period of 48 months effective from the grant date to carry on prospecting operations and execute other such operations as necessary for that purpose.

On September 30, 2016, Zanzibar Gold entered into an option agreement with AFGF whereby Zanzibar Gold acquired a right to earn an 80% interest to approximately 150 hectares of PL 11043/2016.

7. GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology of the Area

The Archaean Tanzanian Craton and its surrounding Proterozoic mobile belts underlie much of the Central Plateau of Tanzania (Figure 2). The east and southeast limit of the craton is marked by the Lower to Middle Proterozoic Usagaran belt, dated at 2,000Ma, and by the Late Palaeozoic (900-500Ma) Mozambique collisional belt.

To the southwest, the 2,000Ma Ubendian belt marks the edge of the craton, whereas to the west the boundary is marked by the Late Proterozoic Karagwe-Ankolean belt and the early Palaeozoic Bukoban system. Completing the boundary in the northwest is the Ruwenzorian belt of Uganda.

The main part of the Archaean craton comprises migmatites, biotite gneisses, gneissic granites and local massifs of biotite granites, and the Nyanzian greenstone belts to the south and east of Lake Victoria. These greenstone belts host the major gold deposits in Tanzania.

The Nyanzian is unconformably overlain (locally) by conglomerates, arkoses and quartzites of the Kavirondian System. These rocks appear to have been derived, at least in part, from the Nyanzian and contain clasts of all Nyanzian lithologies, some apparently deformed.

A major period of granitoid emplacement followed the Kavirondian, and was followed in turn by major tectonic deformation. Syntectonic granitoids have been dated at 2450-2500 Ma while some unfoliated granitoids may be post-tectonic. Many hypabyssal intrusives cut these Archaean sequences, including feldspar-porphyries and lamprophyres. Abundant younger dykes are related to Mesozoic and Tertiary tectonic events.

The Archaean Craton is located to the west of the Subject Property but is important in that the greenstone belts are suggested by some to continue to the east and part of the Usagarian belt of metamorphic rocks (Kabete Groves et al) and subject the tectonic deformation related to the collision of the Australian, Indian, and Antarctica tectonic plates and subsequent separation. This created conditions that could be similar to those found associated with Sediment Hosted Vein Deposits (Pers.

Communication, L. Stephenson). The Usagaran rocks are part of the Mozambique collision belt with high metamorphosed gneisses and schists and include significant metamorphosed carbonate units.

The Mozambique Belt is a major orogenic belt along the east coast of Africa that stretches from the south of Mozambique to Sudan and Ethiopia. Geological mapping by the government suggest a northwest southeast striking belt of metasedimentary rocks around a central core of a mafic amphibolite unit in granitic gniesses and/or intrusive equivalents which are striking northwest and associated with the Magambazi zone.

The Subject Property is located within a pan-African belt of metamorphic rocks known as the Mozambique Belt.

Tertiary mafic to intermediate volcanics including carbonatites occur mainly in the Kilimanjaro and Eastern Rift areas of the north of the country.

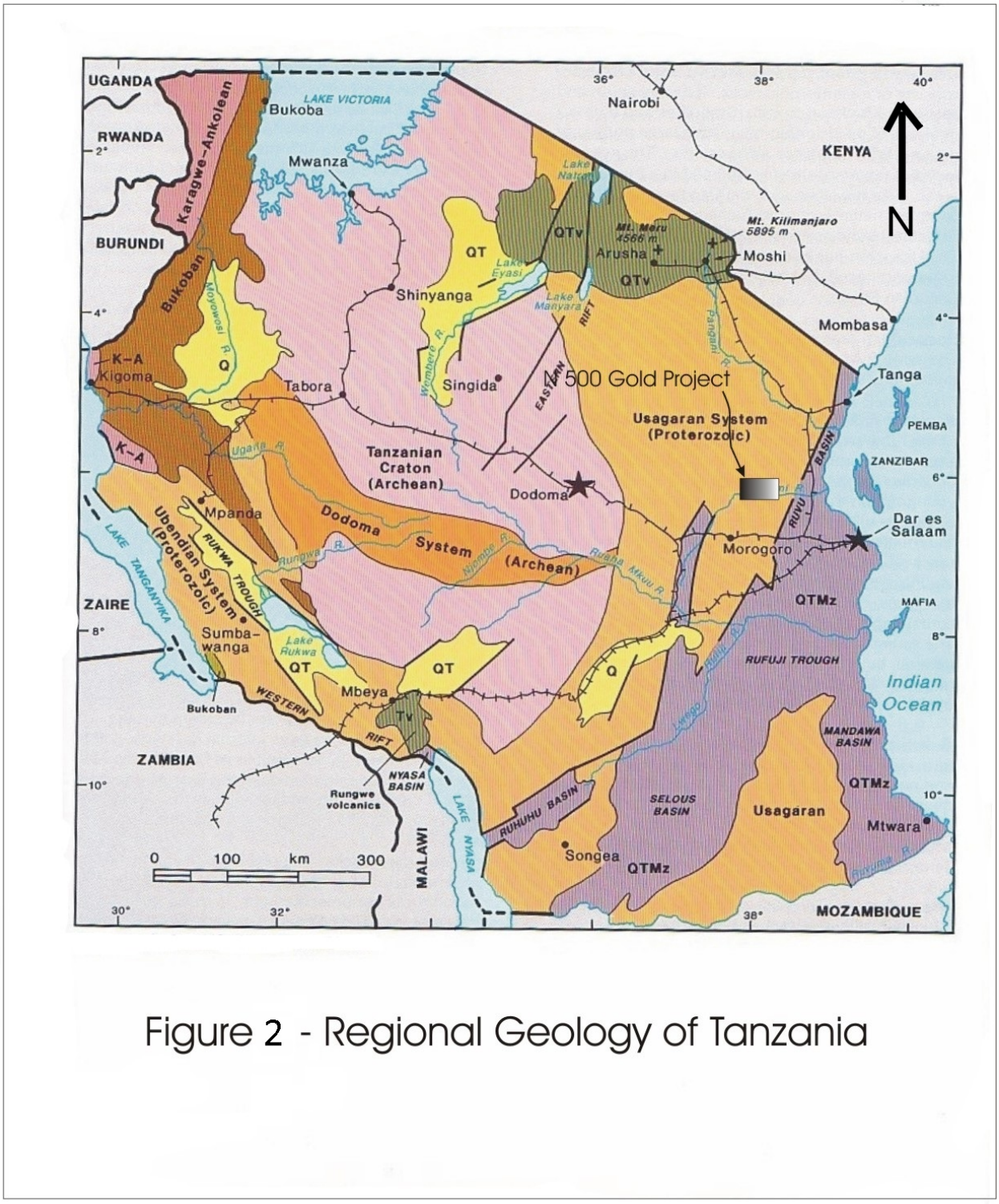
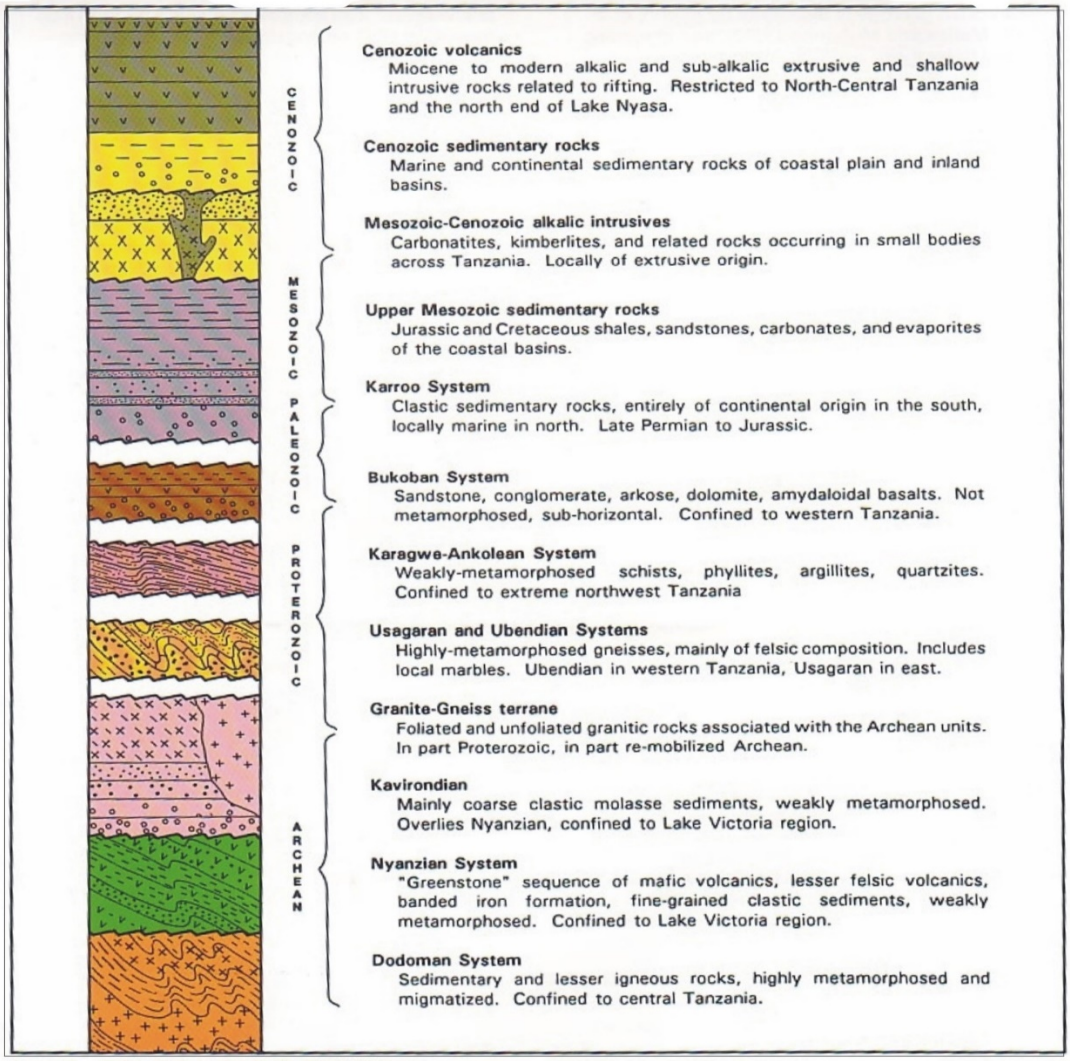


Figure 2 - Regional Geology of Tanzania

(Geological Survey of Tanzania map from 2005 Guide to Tanzania)

Legend For Figure 2



GEOLOGICAL UNITS OF TANZANIA.

Figure 2 – Regional Geology

Source: geological survey of Tanzania map from 2005 Guide to Tanzania
as modified for this Technical Report.

7.2 Local Geology

The Subject Property is located within a pan-African belt of metamorphic rocks known as the Mozambique Belt. The northwest southeast striking belt of metasedimentary rocks around a central core of a mafic amphibolite unit in granitic gniesses and/or intrusive equivalents which are striking northwest and associated with the Magambazi zone (East Afriica Mines – formerly Canaco Resources).

The area's biotite gniess' metasedimentary nature has been observed and suggests that the geology is not unlike that found in other areas of this region. The mafic unit could be related to a large dark red lateritic soil profile visible along the main highway to the east of the property and was observed. The structural complexity of the area remains to be determined and significant folding has been observed in the region.

The resistant "knobs" of hills that is visibly associated with the main Magambazi area are present on the property, although, except in the south portion, with lower relief. Some mineralization in metasediment amphibolitic rocks and associated with quartz veins have been identified on the PL, but not on the Subject property. No detailed investigation of them has been conducted.

Work by AFGF Holdings in the area has expanded our knowledge of the area's local geology and we add the following observations

The geology of this region represents an exploration environment dominated by high-grade metamorphic (granulite to amphibolite facies) of both sedimentary and igneous rocks. Upper amphibolite facies metamorphism has created a sequence including a variety of rocks including Feldspar-quartz biotite gneiss and Pegmatite, Kyanite and Garnet pelite to amphibolites and pyroxene-olivine ultramafic rocks. Quartz feldspathic rocks are more resistant to weathering than the mafic rocks and other units and are most prominent in the hills.

7.3 Property Geology

The Subject Property is almost entirely covered by alluvium related to the adjacent hills and drainages. No bedrock geology has been identified.The Subject Property has a recent alluvium deposition that fills the main valley that are adjacent to the ridges of outcrop that host the main auriferous structures in the Bondo area. The Alluvium appears to be un-stratified composing of cobbles, pebbles, gravel and sand. The cobbles and pebbles for the most part appear to be quartz although a few metasediment types were noted. The auriferous unit is sand and almost colluvial in appearance. The identified mineralization in the adjacent drainages is beneath 5-6 metres of barren clay silt valley fill contains the gold. No reports of intersecting the basal placer bedrock interface were noted.

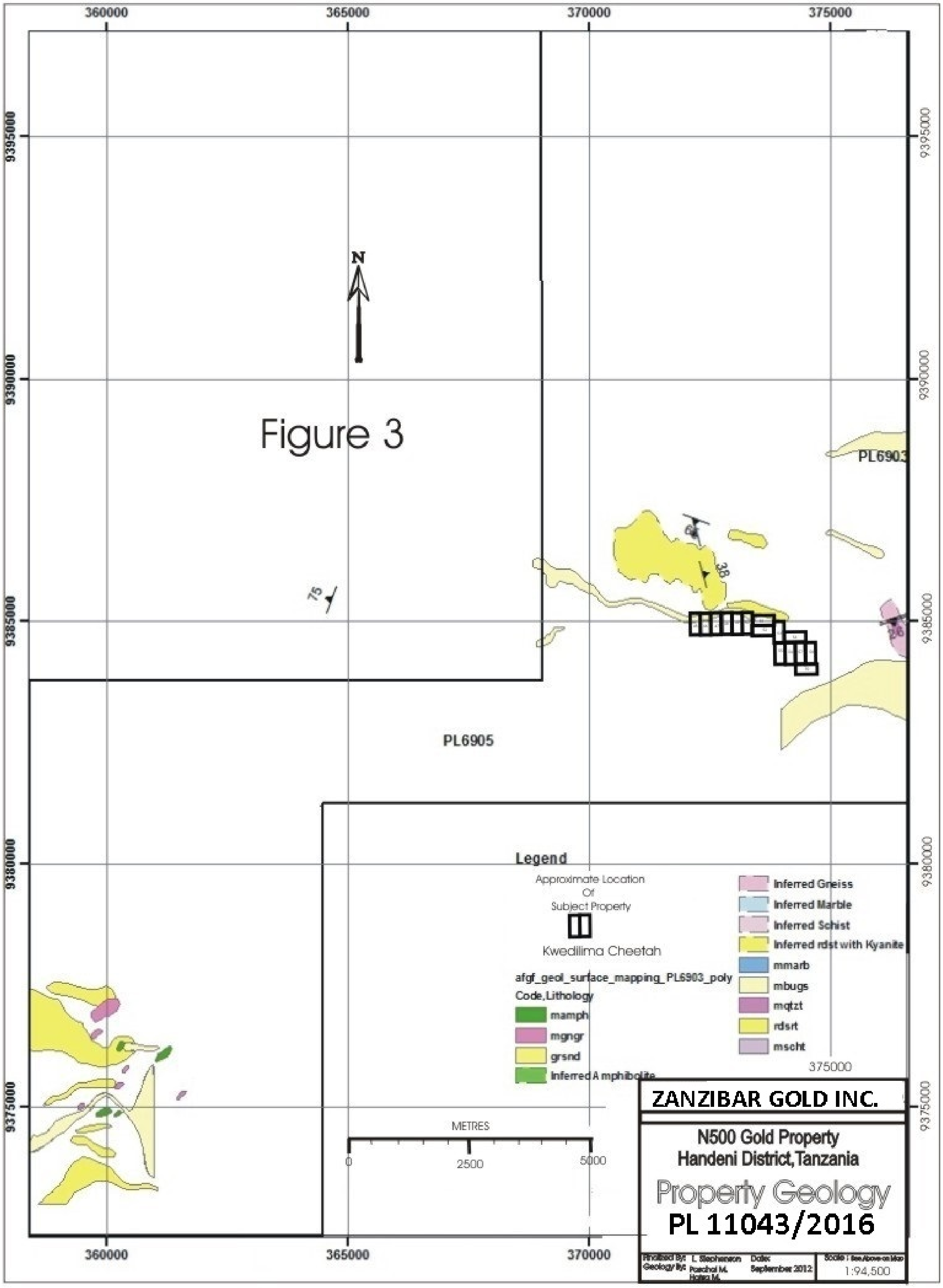


Figure 3
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Handeni District,Tanzania
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PL 11043/2016
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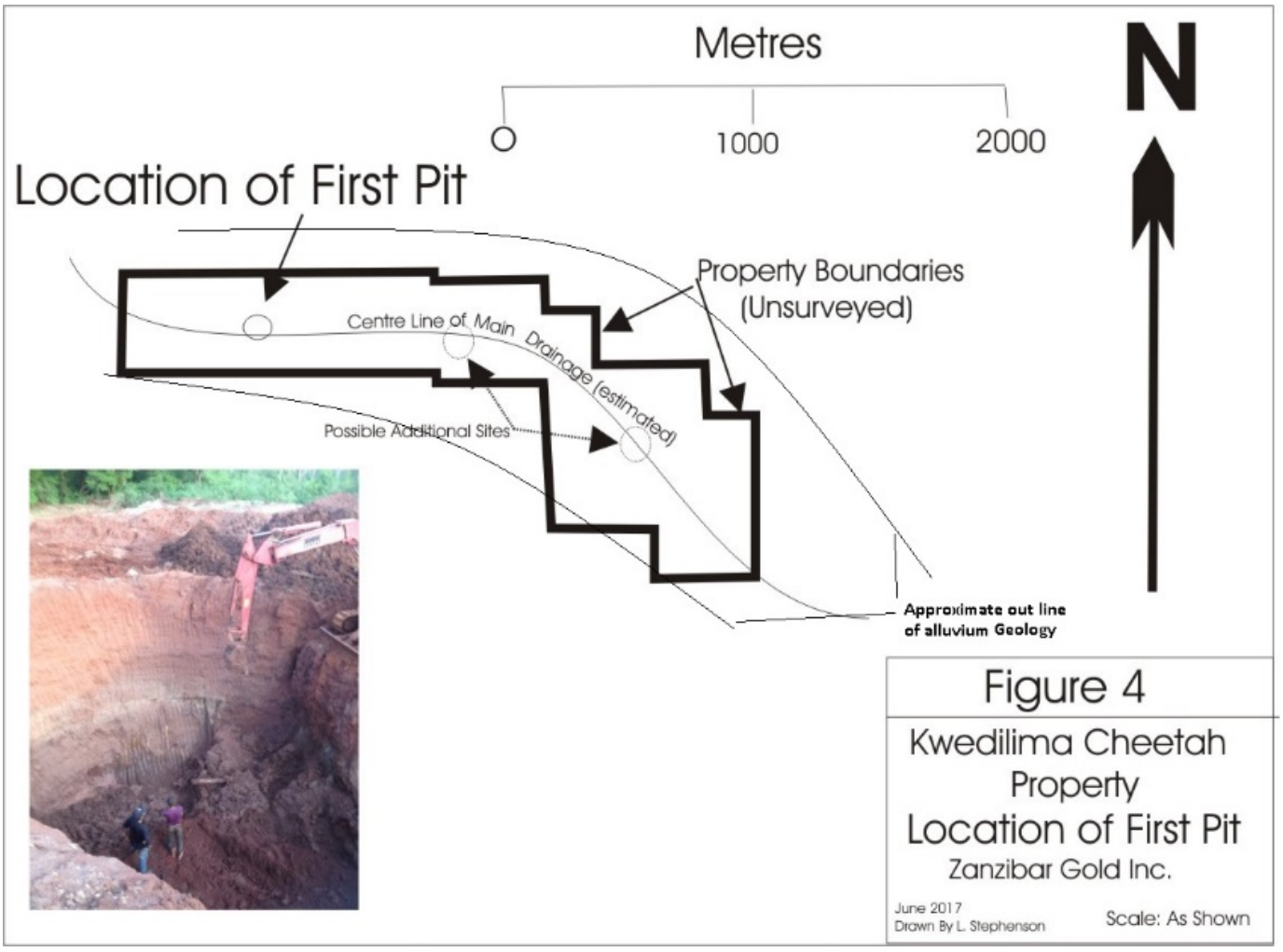

7.4 Mineralization

No alluvial gold has been identified on the Subject Property to date

8. DEPOSIT TYPES

The main deposit type that has been identified in the area is an alluvial river or stream placer gold deposit that is associated with an unknown or unidentified source of primary gold that has been weathered and deposited in the quaternary sediments. In this instance the source of the gold is suggested to be the lode gold deposits identified in the immediate area to the north of the property.

The model forms by standard erosional processes of the surrounding rock with the fluvial action of the seasonal rains in the stream valley concentrating the gold in the most resistant area to downward migration – the bedrock/alluvium interface. The finer the fraction of gold and more concentrated at this interface suggests a greater distance to source and a longer depositional history.

In this model type, the main drainage valley could host detrital alluvial gold in higher concentrations than that found in the subsidiary valleys.

9. EXPLORATION

Zanzibar Gold has initiated an exploration test pit on the Subject Property, dug down to the base of the silt and just above the presumed paystreak. The base of the current pit is above the presumed paystreak from experience in the work on the adjacent areas by AFGF and local miners that shows the paystreak being 1 -2 metres under the thick clay unit. Since no prior work has been done in this area – there is no certainty that this will be the case here but it is part of the exploration program to confirm and discover this. If deeper, the contingency funds and other program planned funds will be used to uncover the actual depth.

An excavator is used to dig the material out of the pit area. As it is an exploration pit to test as much of the prospective area of the paystreak no definitive measurements of the pit size or shape are required. While the author did not survey the existing pit, he approximates the dimensions as follows: 10-12 metres wide, 30 metres long (to provide access) and a depth of between 8 and 9 metres.

The pit was allowed to be flooded by seasonal rains and awaits further funding to be completed. Additional expenditures to prepare equipment upgrades to facilitate the more efficient processing of the test pit material have been made.

The pit area was selected by observation to be in the middle of the main drainage. No sampling was done on the material above the target layer. Some pan concentrate from that material were made but as no gold was observed they were not deemed relevant. The author was able to observe the pit stratigraphy as he attended the pit in August, after the annual short seasonal rains of April and May. Only the bottom metre or so of the pit was covered in slimy muddy water which is the residual water that was captured during the short rains. Evaporation and local use deplete the water in the pit but the overlying alluvium including the 3-5 metre clay unit were visible. The slimy mud and remaining water inhibits any local residents from accessing the paystreak.

The visible observations to date indicate that the alluvial profile is similar to that found in the adjacent areas. The Author has been unable to verify the information concerning adjacent areas and the information is not necessarily indicative of mineralization on the Subject Property. These observations have no impact on the needed sampling of the most prospective gold bearing layer. The sampling and processing of that layer will be the only test of the property's potential.

10. DRILLING

No drilling has been completed by Zanzibar Gold on the Subject Property.

11. SAMPLE PREPARATION, ANALYSES AND SECURITY

No sampling program has been conducted by Zanzibar Gold on the Subject Property.

12. DATA VERIFICATION

All data for the Subject Property, for the geological mapping, soil geochem and pit and trench digging and sampling was completed and supervised by qualified geologists and technicians.

No sampling program has been conducted on the Subject Property.

The Author was able on his visit to see that the Subject Property was completely covered by alluvium. He was able to observe the alluvium profile in the pit.

As this is a placer property exploration project related to the invisible sub stratum, the surface available data will have no impact on the project. The Author observed that the prospective layer is gold bearing in the adjacent drainages but this will not necessarily be relevant to what is found on the Subject Property. The placer project due to its sub stratum nature cannot be truly verified until it is sampled. No sampling has been conducted on the subject Property, yet and is the reason for the failure to conduct verification.

No other data on the subject property was relevant to the placer test pit.

The data used as a basis for this report is adequate for the purposes used in this technical report.

13. MINERAL PROCESSING AND METALLURGICAL TESTING

Placer gold by its nature is usually free and presents no recovery problems. The author observed local artisanal miners in the local area, not on the Subject property, climbing down their 7 metre “shaft” to the prospective layer, bringing a sample of material to the surface and then panning it in a local muddy water hole. The resulting concentrate was observed by the author to be all gold flakes mostly less that 1-2 mm.

No recovery estimates can be made due to the nature of the establishing the actual grade of the placer and then measuring the resultant recovery.

The samples observed appear to be normal placer type samples and no deleterious elements and processing factors are known to be present.

14. MINERAL RESOURCE ESTIMATES

No mineral resource estimate as defined by section 1.2 of NI 43-101 has been made for the potential placer operation described in this report.

Items 15 to 22 of NI 43-101 are not applicable to this report.

23. ADJACENT PROPERTIES

The Subject Property is wholly contained within the PL 11043/2016 that has had extensive exploration work done on it by AFGF. This exploration work by AFGF is on a part of the PL to the north and east of the Subject Property.

The East Africa Metals' (formerly Canaco Resources) Magambazi property which is south of the Subject Property is cited. The Magambazi zone which is the subject of an ongoing exploration program that has been publicly reported by East Africa is approximately 25 kilometres south southeast of the PL.

On the Magambazi zone, high gold-grade sulfide-bearing quartz veins are enclosed in up to 40 metre thick alteration zones with lower-grade, sulfide-associated gold ore over an exposed strike of several hundred metres, demonstrating its high economic potential. The host rocks and alteration zones are high-grade gneisses with both silicate and sulfide minerals having granulite textures. This, and the absence of strong foliation, suggests a high-grade metamorphic overprint of an originally lower metamorphic-grade orogenic gold deposit. Magambazi thus demonstrates the potential for discovery of world-class, overprinted, Archean orogenic gold deposits in non-traditional exploration terranes in Tanzania.

Alluvial gold is also associated with this zone.

The Magambazi mineralization and the mineralization in the adjacent drainage systems is not necessarily indicative of mineralization on the Subject Property. The author has not personally verified the mineralization or resource estimates reported from the Magambazi zone and the information reported on that zone is not necessarily indicative of the mineralization on the Subject Property.

The author is confident that there are no factors present that could impact the results and the sampling interval and method used, is proper and consistent with good exploration procedures.

No other adjacent properties are cited.

24. OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data or information.

25. INTERPRETATIONS AND CONCLUSIONS

Work to date on the part of the property to the north has confirmed the potential of the Subject Property to be worthy of continued exploration. The large extent of potential alluvial placer gold feeding the Main Valley Drainage which is covered by the Subject Property, is a collector of the gold from the adjacent drainages. It provides an exploration target for Zanzibar Gold to advance an exploration program on this main valley drainage.

From observations reported by AFGF's contractors and local miners the mineralized paystreak on the adjacent property was located below the 3-5 metre thick black clay unit in an identifiable quartz pebble rich unit. This quartz pebble unit has been found to be 1 metre below the clay but it would be the exploration plan to excavate with sampling in detail to confirm the presence of the paystreak. No true width of the paystreak has been determined. From the current pit depth it is expected that a further 5-7 metres depth can be tested with sufficient samples recovered to provide an effective analysis.

The author cautions the reader that he has been unable to verify the information concerning the adjacent property and that the information is not necessarily indicative of the mineralization on the property that is the subject of the technical report.

The auriferous placer valley has had gold being traced towards the main valley which is covered by the Subject Property. The area is an area of low energy gradient with an intermittent flowing water course.

Visible gold has been identified in outcrops on ridge of rocks to the west and was reported by local miners to be in panned soils There are alluvial workings all around the adjacent drainages that feed into the main valley where the Property is located.

The recent exploration test pitting of the alluvium and discovery of the gold in the adjacent subsidiary valleys to the north and the discovery of alluvial gold in subsidiary "main valley feeders" on the south side of the main river valley increased the potential size of the feeder drainages but has not been delineated.

Exploration has just been commenced on this area and more work is necessary.

The presence of the gold in the alluvium represents an excellent placer operation prospect for the Subject Property.

The author concludes that the Subject Property of this report merit further exploration.

26. RECOMMENDATIONS

It is recommended that the potential of the Subject Property be delineated by test pitting and trenching. Zanzibar Gold has available small scale mining and treating equipment, a bulk test be completed on some of the readily available material exposed in the trenching work will evaluate the potential of the Subject Property Phase I (Item 2 & 3). Because Zanzibar is a junior company with no on staff geologists, labourers and other employees, it will contract AFGF (Tanzania) Ltd. who has an established work force in Tanzania to provide geologists, labourers and other employees.

As well with the work on going on the main pit additional investigation of the alluvium of the remainder of the Subject Property by using local workers to dig pits and identifying a second area for pitting including geology of the strata, surveying and minor geophysics (Item 4 & 5). A second pit will be started in conjunction with the first pit to provide a backup in case the first pit collapses; to test additional geological exploration potential; and to be used as a reservoir to pump water into when the first pit floods.

Ground-penetrating radar (GPR) can map shallow subsurface features along wetland catena. Detailed profiles of soil dielectric constant and common midpoint velocity surveys can be used to determine radar pulse velocities through subsurface features to identified: (i) organic soil-mineral soil contact, (in our survey the upper and lower position of the Clay layer) (ii) water tables (which may not be seen here), and (iii) l soil-bedrock contact. Thicknesses of major soil features can be estimated from radar profiles and compared with thicknesses determined from initial pit to determine the extent of the potential paystreak.

Geophysical methods can be faster and less expensive than additional drilling and trenching and can provide continuous profiles and three-dimensional information. The non-contact electrical profiling method can be used for quick mapping of these soils profile (resistivity surveying).

Contingency funds are budgeted to offset any unforeseen costs. Analysis of results will include assay of any gold found, observing the strata and finalizing a report with respects to Phase II. Test pitting on the valley alluvium should be undertaken.

Phase I (All US$) Budget

1. AFGF Staff, Vehicles, Accommodations, supervision etc.	$ 20,000
2. Field costs, including food, fuel, supplies, casual labour, repairs etc. (Trenching & Pitting)	$ 30,000
3. Fuel and equipment rental for Excavator, dump truck and wash plant Equipment to complete initial pit	$ 40,000
4. Starting second pit and additional sampling;	$ 10,000
5. Running a ground penetrating radar survey to map bedrock/alluvium interface	$ 17,500
6. Field costs, including fuel, supplies, casual labour, repairs, additional Equipment for additional pit and other sampling	$ 17,500
7. Laboratory assays	$ 5,000
8 Analysis of results & Report	$ 5,000
9. Contingency	$ 15,000
TOTAL PHASE I	**$ 160,000**

Phase II is dependent on the results of Phase I. As such the outline of Phase II work is speculative at this point as its final delineation will be dependent on the Phase I results.

Phase II (All US$) Budget

1. AFGF Staff, Vehicles, Accommodations, supervision etc.	$ 25,000
2. Expanding of pit size including surveying and pit design preparing for Mining permit	$ 30,000
3. Fuel and equipment rental for Excavator, dump truck and wash plant	$ 75,000
4. Additional sampling	$ 20,000
5. Field costs, including fuel, supplies, casual labour, repairs, additional Equipment for expanding pits and other sampling	$ 45,000
6. Laboratory assays	$ 5,000
7 Analysis of results & Report	$ 5,000
8. Contingency	$ 20,000
TOTAL PHASE II	**$ 225,000**

Total Phase I & II **$385,000 (US) (approx. $500,000CDN)**

27. REFERENCES

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Archibald, S.M., Farrelly, I.J., Gray, J.N. and King, J.A., 2013. Mineral Resource Estimate and Update to a NI43-101 Technical Report for the Handeni Property centered at 37.97^{o} E, 5.744^{o} S, Tanga Province, Handeni District, Tanzania.

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28. DATE & SIGNATURE PAGE

I, CRAIG ALFORD, a geologist, of 9 Ruttan Street, Thunder Bay, Ontario, P7A 5C4, hereby certify that :

1. I am the author of this report entitled "Report on the Kwedilima Cheetah Property Handeni Region Handeni-Tanga Rural District, Tanzania" dated July 13, 2017;

2. I am a graduate of Lakehead University, Thunder Bay, Ontario, Canada with a Honours Bachelor of Science degree in Geology (1985) and a Master of Science degree (1988) and have worked as Geologist for over 25 years;

3. I have worked continuously in my profession since graduation. Most recently I have been evaluating large mining projects worldwide as the Deputy General Manager of the Overseas Division of Zijin Mining Group, Chinas' largest gold producer. I have served as the Vice President of Exploration for the Nasdaq listed companies, Dominion Minerals and Golden River Resources. I have consulted for several oil companies including Burlington Resources (now ConocoPhillips) and Canadian Natural Resources. I evaluated geologic properties and conducted multi-stage exploration programs as a Regional Geologist, then District Manager for Teck Resources Ltd. in four countries. I have consulted for several mining companies, including Placer Dome (now Barrick Gold) and King's Bay Gold writing reports for their use and am therefore qualified to write this report and recommend the proposed exploration program and budget in this report;

4. I am a member of the Association of Professional Geoscientists of Ontario (#1690).

5. I visited the property specifically on August 25th, 2016.

6. I am responsible for this report, the opinions expressed therein and by virtue of my training, experience and membership in the above mentioned professional organization, I am a "qualified person" as defined in NI 43-101.

7. As of the date of this certificate, to the best of my knowledge, information and belief, the report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading. There are no material facts or material changes in the subject matter of this report that would mislead the reader.

8. I am independent of Zanzibar Gold Inc. within the meaning of section 1.4 of National Instrument 43-101. I have no direct and indirect interests, in the properties and shares of Zanzibar Gold Inc.

9. I have had no prior involvement with this property other than writing this report and have read Instrument and Form 43-101 F1, and am qualified to write this report and this technical report has been prepared in compliance with this instrument and Form 43-101 F1, to the best of my ability.

10. I hereby grant my permission for Zanzibar Gold Inc., to use this report for any corporate use normal to the business of the Company.

Dated at Thunder Bay, Ontario, this 13th day of July, 2017.

"Craig Alford"

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Craig Alford, PGeo.