

# Merrex Gold Developing a Major West African Gold Deposit

## *IAMGOLD a Strategic Joint Venture Partner in Siribaya Gold Project*

The West African Republic of Mali is the center of one of the world's fastest-growing regions of gold exploration and production. Merrex Gold Inc. (TSX.V: MXI; OTCQX: MXGIF) controls the country's largest contiguous block of gold exploration concessions with a deposit having both an enviable grade and the potential for major tonnage.

A telling ratification of the quality of Merrex's Siribaya Gold Project is the participation of IAMGOLD, a leading mid-tier gold mining company that is currently producing about one million ounces annually from six gold mines on three continents - including 178,000 ounces of gold annually from its two operating Sadiola and Yatela mines in Mali. Mali has also attracted major producers such as AngloGold, Randgold and Newmont.

IAMGOLD brings over 20 years of

exploration and mining experience in Mali, as well as considerable financial investment and exceptional gold exploration technical expertise, to the Siribaya project. Earn-in partner IAMGOLD advised Merrex on January 4, 2012 that the required earn-in expenditures of \$10.5 million were completed, a full 12 months ahead of schedule. Merrex is awaiting a complete accounting of the expenditures and, once reviewed and accepted by Merrex, execution of the final Joint Venture Agreement and formal vesting of IAMGOLD's 50% interest in Siribaya will follow, all of which is expected to be completed during Q1 of 2012.

The approved budget for the 2012 exploration at the Siribaya Gold Project will be \$11,857,562 including:

- 50,000 metres of RC drilling to finalize the scoping of the untested

extension of the Siribaya trend and to continue follow-up drilling within the trend; and begin scoping of the Bambadinka trend

- 10,000 metres of diamond drilling within the Siribaya trend to continue to expand the NI43-101 Resource Estimate

- 9,000 metres of auger drilling to begin testing anomalies within the Babara trend

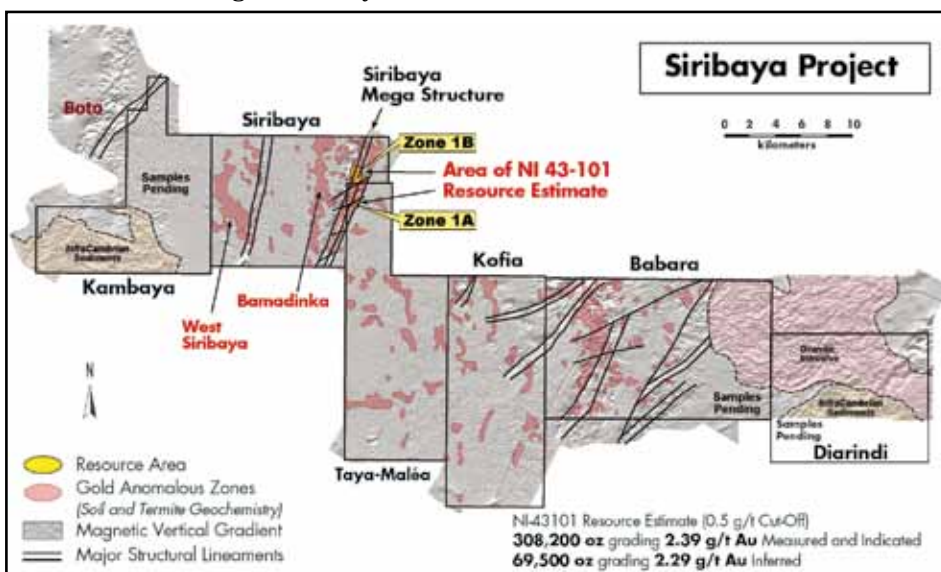
- Finalize termite mound geochemical sampling and associated regolith mapping where necessary, including follow-up and first pass sampling

### **Siribaya Gold Project Has Significant Potential for Expanded Gold Resource**

Merrex's Siribaya Gold Project is located in the western part of Mali near its border with Guinea and Senegal. Mali is considered one of the strongest democracies in Africa ranking low in geopolitical risk, and at over 50 tonnes per year it is the third largest gold producer in Africa.

At 327 square miles (848 square kilometers), the Siribaya Gold Project is the largest contiguous gold exploration package in Mali. Since 2005, Merrex has advanced the project from a grassroots discovery to an advanced gold exploration project with good grade and IAMGOLD-sized tonnage potential. More than 100 kilometers of gold anomalous structures have been identified to date, with many yet to be explored.

Merrex's exploration focus, the Siribaya mega-structure, is actually two parallel substructures, with



significant gold mineralization extending for more than 10 kilometers along strike.

Initial diamond drilling intersected significant intervals at ore grades, particularly at Zone 1B where a 2008 independent NI 43-101 resource estimate confirmed a gold resource of 123,000 oz. Indicated and 319,000 oz Inferred.

The NI 43-101 resource estimate was updated in 2010 to 4,015,000 tonnes grading 2.39 g/t Indicated (308,200 oz Au) and 946,000 tonnes grading 2.29 g/t Inferred (69,500 oz Au). Since the estimate was based on data gathered along 800 meters of Zone 1B and only 50 meters of Zone 1A, and both zones are open to the north and south for over ten kilometers within the parallel substructures as well as at depth, there is a clear potential for a very significant open-pit gold resource at Siribaya.

More than \$18 million has been spent to date at the Siribaya Gold Project. The Faleme River crosses the property, providing ample water for both exploration and mining. A permanent, well equipped exploration camp adjacent to the town of Berekegni is accessed via dirt road during the dry season from Kenieba, a town about 50 km to the north, which is linked to the wider world by both rail and a government-owned airstrip serviced by regular and charter flights.

“We are on the prolific West Africa Gold Belt with very low discovery costs,” says Isenor. “We are targeting a gold resource of between 2 and 4 million ounces in the Siribaya mega-structure – and there is real potential for additional gold discoveries at multiple locations within the land package.”

### 2011 Drilling Confirms Multiple Zones of High-Grade Gold Mineralization

The 2011 drilling program at Siribaya has been completed.

10,000 meters of diamond drilling, including infill drilling within the Zone 1B resource area, expansion drilling to the north and south of Zone 1B, and targeted drilling within the 1A substructure in the northern extension of Zone 1A will lead to an updated and certainly larger resource estimate in 2012.

30,000 meters of RC drilling has confirmed that both the 1A and 1B substructures are well-mineralized with strong continuity. Most recent

## Siribaya Gold Project Mali, West Africa

The 848 square kilometer Siribaya Gold Project in West Mali is Merrex’s flagship property. The property is being explored in conjunction with Merrex’s 50% earn-in partner and project operator IAMGOLD Corporation – including 30,000 meters of RC drilling to further extend the explored strike length of the Siribaya trends from three to seven kilometers, 10,000 meters of diamond drilling to increase the present NI 43-101 resource and 9,000 metres of mechanized auger to define new priority drill targets. Substantial numbers of assays from both drilling programs remain outstanding.



RC drilling in the southern portion of the Zone 1A substructure intersected assays as high as 19.09 g/t Au over 8 meters and 20.9 g/t Au over 1 meter.

“We have a six kilometer drill-evidenced mineralized footprint within both substructures now,” says Isenor. “We have evidence of gold mineralization in the northern areas as well, and expect that the footprint will be established over the full 10.5 kilometers of strike of the twin Siribaya structures by the end of 2012. The RC footprint will assist with more precise cost-effective diamond drilling of the resource.”

The most recent Diamond Drill assay results from Zone 1B are exciting with intersections like 2.15 g/t Au over 37 meters and 3.61 g/t Au over 12 meters.

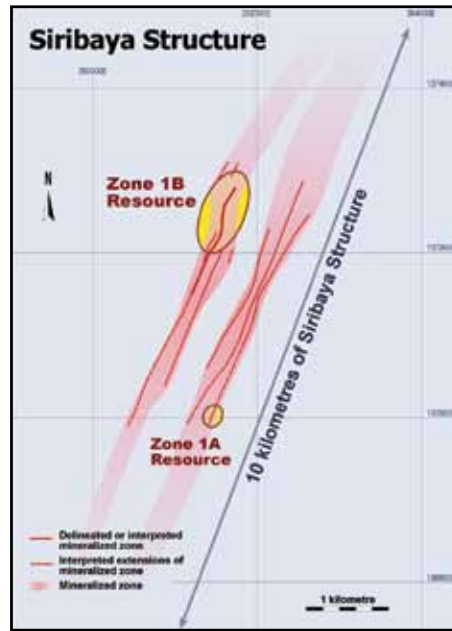
“Based on current drill results, it appears that the 2011 diamond drill program will be adding ounces to our existing resource,” says Isenor. “The results are what we were anticipating.”

### Significant Gold Mineralization Found on Second Gold Trend

Merrex’s Bambadinka Trend, which lies just west of the main Siribaya mega-structure, is a high priority exploration target for 2012. The large zone is about 10 kilometers long by 1 kilometer wide and hosts numerous gold-in-soil anomalies.

Following a successful termite mound geochemical survey, 9,000 meters of mechanized auger drilling in 2011 confirmed this significant new gold trend, returning gold intersections in both the surface laterite and the near-surface in situ saprolite bedrock at various locations along the trend. Assays range as high as 3.40 g/t over 4.5 meters from the laterite and 2.56 g/t over 4.5 meters from the saprolite rock.

“The assay results from the auger drill program confirm the 10 kilometer strike extent of the gold trend at Bambadinka,” says Isenor.



Parallel structures at Merrex Gold’s Siribaya project in Mali indicate a strong potential for multiple high-grade gold deposits.

“I am pleased that Merrex has a new, significant and extensive priority target to test with drilling.”

### Strong Management Team Focused on Africa

That Merrex has made major strides in advancing its Mali property and attracted IAMGOLD as a partner should come as no surprise, considering the impressive track record of its leaders.

Merrex President and CEO Greg Isenor sold his prior company, Jilbey Gold Inc. to High River Gold Mines Ltd. in 2004, after proving up the now million ounce Bissa Deposit in Burkina Faso. Isenor then partnered with Vancouver securities lawyer John Cumming, now Merrex Vice President, focusing on an unexplored area south of the Faleme River and discovering Siribaya.

Cumming was a founding shareholder of St. Philips Resources Inc. and, in a JV with the Hunter Dick-

enson Group, found the Kemess Gold Copper Mine which was sold in 1996 in a \$200 million take-over bid. The Kemess Mine is the principal asset of Northgate Minerals Corporation and has produced over 2.7 million ounces of gold since 2000.

Jean-Marc Gagnon, Merrex’s Mali Exploration Manager, is an expert in managing drilling programs in West Africa and South Africa. Previously he was general manager and consultant to a number of international mining companies, including Emerging Africa Gold, Major Drilling International and Golden Star Resources Ltd.

### Investment Considerations

In summary, Merrex is a Mali focused gold exploration company with experienced management, a solid exploration team, a prominent gold-producer as a partner and an expanding gold resource – a potentially winning combination that offers investors an intriguing opportunity to get into a strong African gold play at the front end.

Earlier this year, Merrex Gold closed both a \$10.1 million brokered private financing and \$4.25 million of private placements with IAMGOLD, giving the company enough money to cover its exploration costs at the Siribaya Gold Project through to 2013.

Merrex Gold also recently expanded its stock trading into the United States, joining the OTCQX, the highest tier in the U.S. over the counter marketplace.

“As Merrex’s Siribaya Gold Project continues to mature, so too should our corporate visibility,” says Isenor. “In our last financing, Merrex received significant investment from U.S. based institutions and we received large numbers of inquiries from potential U.S. investors. We think Siribaya is one of the most exciting gold discovery stories in Mali and the investment case for Merrex is very sound.”

**Disclaimer:** This material is for distribution only under such circumstances as may be permitted by applicable law. It has no regard to the specific investment objectives, financial situation or particular needs of any recipient. It is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. References made to third parties are based on information obtained from sources believed to be reliable but are not guaranteed as being accurate. Recipients should not regard it as a substitute for the exercise of their own judgment. The opinions and recommendations are those of the writers and are not necessary endorsed by The Bull & Bear Financial Report. Any opinions expressed in this material are subject to change without notice and The Bull and Bear Financial Report is not under any obligation to update or keep current the information contained herein. All information is correct at the time of publication, additional information may be available upon request. The company featured has paid The Bull & Bear Financial Report a fee to provide an investor awareness program. Management of the company has approved and signed off as “approved for public dissemination” all statements made herein. The directors and employees of The Bull & Bear Financial Report do not own any stock in the securities referred to in this report. The information contained herein may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding expected continual growth of the featured company and/or industry. In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the publisher notes that statements contained herein that look forward in time, which includes everything other than historical information, involve risks and uncertainties that may affect the company’s actual results, developments, and business decisions to differ materially from those contemplated by its forward-looking statements. Factors that could cause actual results to differ include the size and growth of the market for the company’s products or services, the company’s ability to fund its capital requirements in the near term and long term, pricing pressures, etc. The Bull & Bear Financial Report is not a registered investment advisor or affiliated with any brokerage or financial company.

**MERREXGOLD**ACCOMPLISHED. EXPERIENCED.  
PROVEN TRACK RECORD.

# GOLD

## GOLD DISCOVERY IN MALI, WEST AFRICA.

**MERREX GOLD INC.****TSX.V: MXI**  
**OTCQX: MXGIF***Developing Siribaya, a Major  
West African Gold Deposit**Contact: Laurie Vaughan  
Director, Corporate Affairs*802-1550 Bedford Highway  
Bedford, NS Canada B4A 1E6

Phone: 902-832-5555

Fax: 902-832-2223

E-Mail: [info@merrexgold.com](mailto:info@merrexgold.com)Web Site: [www.merrexgold.com](http://www.merrexgold.com)

Shares Outstanding: 118.9 million

Active Float: ~100 million

52 Week Trading Range:

Canada: Hi: C\$0.65 • Low: C\$0.25

U.S.: Hi: \$0.6281 • Low: \$0.02420

Scan to View  
Merrex Gold  
Corporate  
Presentation

## Quick **FACTS**

### *Merrex Gold Inc. Highlights:*

- The Siribaya Gold Project is a major resource under development in West Mali where over 1,000,000 ounces of gold is produced annually
- IAMGOLD Corporation, a mid-tier gold producer, is spending \$10.5 million to earn 50% of the project with vesting in Q4 2011
- Over \$17 million of successful exploration expenditures to date
- NI 43-101 Resource Estimate: 377,700 ounces @ 2.37 g/t gold, with about 80% in Indicated category
- 49,000 metres of drilling during 2011 to increase the resource estimate and establish the footprint for a major resource
- The Siribaya property is the largest contiguous block of gold exploration permits in Mali, is massively anomalous for gold and contains multiple identified gold trends
- Extensive 'blue-sky' potential for discovery of numerous additional deposits within the 848 square kilometre land package
- Merrex is well-financed with strong institutional and investment banking support and led by a highly experienced management and discovery/exploration team

Merrex Gold Inc. is a Canadian-based exploration company with an experienced discovery team and an advanced exploration project – its 100% controlled, 848 square kilometre Siribaya Gold Project in Mali, West Africa. Earn-in partner IAMGOLD Corporation is now operator of the project, which is Mali's largest contiguous exploration land package and is one of the country's most exciting gold discovery stories.

The Siribaya Gold Project's 10 kilometer long Siribaya Mega-Structure has the potential to host a major gold deposit. The project is located in the prolific West Mali gold belt where annual gold production exceeds one million ounces per year. Merrex's large, well-positioned, contiguous land position hosts over 100 kilometers of gold anomalous structures, which are substantially unexplored. The goal of the 2011 49,000 metre drill program is to increase the current resource estimate, confirm the potential for a 2 to 4 million ounce deposit along the strike extent of the Siribaya Mega-Structure and expand the footprint of the mineralized area.