

FARAFINA GOLD GROUP S.A.

Farafina Village, Préfecture Mandiana

Kankan Région, Guinée

Conakry. Guinea Republic

PRIVATE PLACEMENT OF

SENIOR SECURED DEBT

Board of directors' decision

23.11.2018 № D-01.01.19

Term Sheet

Issuer:	Farafina Gold Group SA (the " Company ")
Amount:	USD 300 000 of senior secured convertible debentures of the Company (the " Convertible Debentures "). Payments for debentures must be transferred to the Company bank account* in USD, EUR or GNF. Payments performing in EUR or GNF has to be calculated according to official interbank offered rate at 1 am GMT on a day of transaction.
Offering:	Private placement offering (the " Offering ") of the Debentures
Maturity:	The Debentures will mature on the date (the " Maturity Date ") 02. January 2020
Interest:	18% per annum calculated quarterly in arrears. Interest will accrue from 01.01.2019 and will be paid in USD before the end of the month followed by end of each quarter.
Forced Conversion:	The Investor may at any time elect to force conversion of the outstanding principal amount of the Debentures into Common Stock at price equivalent to USD 5000 per Share. Conversion will be executed at 12 pm GMT on the second day after a request**.
Use of Proceeds:	Proceeds of the Offering shall be used only for capital expenditures and working capital.
Priority:	The Debentures will be direct, senior secured obligations of the Company and will rank equally with one another and with all other senior secured indebtedness of the Company, and senior to all other existing and future indebtedness of the Company.
Security:	The Debentures will be secured by assets of the Company and by shares of Guinea Farafina Investment Inc (47% of shares) in favor of the holders of the Debentures.
Issued and Outstanding Common Shares:	Assuming issuance of the maximum principal amount of Debentures under the Offering, the Shares issuable upon conversion of all such Debentures will represent 3 % of the issued and outstanding Common Shares as at the Closing Date

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Offering Jurisdictions:	The Offering will take place by way of a private placement to qualified accredited investors in Guinea and in those jurisdictions where the Offering can lawfully be made under applicable private placement exemptions.
The Company:	The principal office of the Company is located at: Immeuble Mamou, de etage, Cite Chemin de fer, Commune de Kaloum, Conakry, Republique de Guinee Bank Accounts: Beneficiary FARAFINA GOLD GROUP Bank: Ecobank Bank Address Avenue de la République, BP 568, Conakry. Rep of Guinee Swift Number ECOCGN CN Account: EUR 0010364635558602 USD 0010364635558601 GNF 0010124635558601
Finder's Fee:	A finder's fee equal to up to 5.0% of proceeds raised, payable in cash, and such other fee(s) as may be agreed to by the Company and approved by finder may be paid.
Accredited Investors:	An investment in the Offering is suitable only for investors who can afford to suffer a complete loss of their investment. The risk factors should be carefully considered by prospective purchasers and their legal counsel and/or financial advisors.
Approvals:	The Offering for debt-equity swap shall be subject to the approval of the regulatory authorities in the Guinea, if holding of shares exceed 5%
Closing:	The Offering has been approved by the corporate Board of Directors. Decision as of 27.11.2018 # DI-01.01/19
*	Or another corporate account after additional confirmation
**	Currently the Company has 2000 shares valued at USD 5000 each according to paid in capital. In case of split debenture holder keep rights to convert debt to equity in proportion of 0.01% of shares for equivalent of \$ 1000 on closing price of a day.

For further information, please contact: info@farafina.biz

Chairman  /Mr. Ilya Karas/

Director General  /Mr. Ousmane Tunkara/