

AFRICA DOWNUNDER

Azumah building an African success story

Azumah Resources Ltd is sticking to its guns as a pioneer in an unexplored part of Ghana, despite being belted by the Opes Prime debacle and the Australian market correction in the first half of this year.

Azumah, which listed on the ASX in 2006 on the back of its Wa-Lawra gold project in north-west Ghana, had lost its two biggest shareholders or about 15% of its issued capital by May.

Recently appointed executive chairman Stephen Stone took control of the situation, buying three million shares in his company to return investor confidence in Azumah and help it weather the storm.

In July – on the cusp of releasing a JORC-compliant resource for the Bepkong discovery, where a drilling programme had some great hits – Stone said Azumah was back on top of its game.

“We’re in a better position now than we were during our peaks since listing, when we trading at 25-30c (Azumah is now trading in the mid-10s) because we’ve got a lot more gold,” Stone said.

Bepkong is due to add substantially to the 516,000oz @ 1.9 g/t gold (318,000oz indicated, 198,000oz inferred) resource already defined for the Kunche deposit, just 2km south of Bepkong.

High grade gold hits in the latest round of drilling at Bepkong included 38.15m @ 6.62 g/t from 30m, including 4m @ +1 oz/t; 20m @ 6 g/t from 104m; 36m @ 2.42 g/t from 76m and; 52m @ 1.62 g/t from 64m.

Further drilling will test an interpretation that there are two parallel mineralised systems at Bepkong as well as extending the resource boundary north of the 400m strike length already defined.

The programme will also look at Kunche East; Basabli, 40km north of Kunche; and new prospect Kuo, 15km south of Kunche.

In addition to adding some high grade blend potential in a combined Kunche-Bepkong production scenario, Stone said the best thing about the discovery coming good was it showed the potential of the overall project.

“We’ve got a huge landholding, over 100km of prospective greenstone belt, and we’re just beginning to step out. The Bepkong discovery tells us there is more gold to be found, it’s not just Kunche any more.”

Azumah had anticipated releasing a maiden resource for Bepkong by the

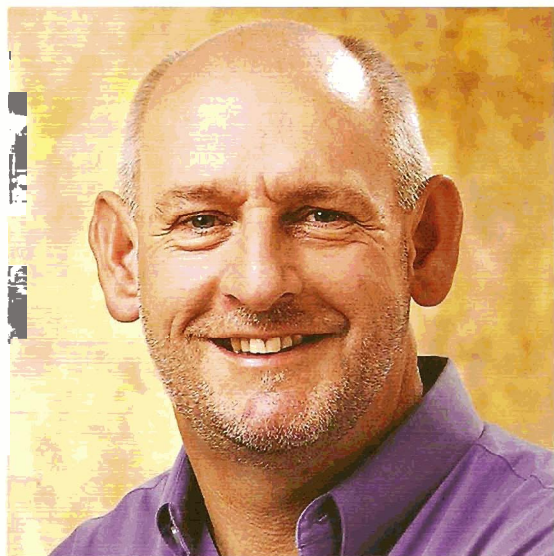
end of last month and Stone was looking for 1 moz at least to justify a stand-alone open pit operation – necessary for success because there was no other mining operation in Wa-Lawra’s territory.

“Even though it’s away from the main action in the Golden Triangle we like it. It’s unexplored compared to other parts of Ghana and West Africa.

“I think we’re demonstrating we are not the poor cousin anymore.”

Stone said based on the current market cap of Azumah, at about \$13 million, in relation to the number of ounces it already has at Wa-Lawra, the company was one of the cheapest companies around comparative to other explorers with similar projects in West Africa.

– Andrew Pascoe



Stephen Stone

