

Azumah Resources Ltd

11:30 20 Apr 2018

Azumah Resources flags capital raising as it looks to grow reserves at gold project in Ghana

Azumah Resources Limited (ASX:AZM), owner of the Wa Gold Project, has entered a trading halt ahead of releasing details regarding a capital raising.

The company is focused on developing a large gold resource and reserve in Ghana, West Africa.

Azumah has established a resource of more than 2 million ounces across a number of deposits which make up the Wa project.

Injection of capital to assist in transition

Azumah is at the stage where it is looking to transition from explorer to producer.

Assisting it in achieving this goal is a collaborative agreement with Ibaera Capital, which was forged last year.

This provided the company with valuable capital of about \$17 million which will assist in exploration and studies, potentially providing a pathway to production.

Resource expansion central to production

Azumah completed a feasibility study in 2015 based on the production of 90,000 ounces per year over a seven-year mine life.

The company is looking to build its reserves with a view to improving project economics.

Azumah referred to the proposed capital raising as 'material', suggesting that it may be considering more extensive exploration or an accelerated transition to production.

Clarity could provide share price momentum

Details of the capital raising and the intended use of funds should come to hand by the middle of next week, potentially providing an insight into the Azumah's strategy.

As such, it could be a share price catalyst for a company that is looking oversold, trading well shy of its peers on an enterprise value to resource ounce basis.

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Price: A\$0.019

Market Cap: A\$14.86M

1 Year Share Price Graph



Share Information

Code: AZM

Listing: ASX

52 week High Low
A\$0.03 A\$0.02

Sector: Mining

Website: www.azumahresources.com.au

Company Synopsis:

Azumah Resources Ltd (ASX:AZM) is listed on the Australian Securities Exchange.

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