

Azumah Resources Ltd

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Azumah Resources commences final phase of feasibility study and notes upside from gold price move

Azumah Resources Ltd (ASX:AZM) has commenced the final phase of works to complete the feasibility study for its flagship Wa Gold Project in Ghana.

Azumah owns the project in a joint venture with its funding partner Ibaera Capital, who can increase its interest in the project from 42.5% to 46.5% by sole funding the remaining feasibility study costs of US\$2.25 million.

Notably, Azumah has pointed out that the feasibility study progress update in January 2019 used a US\$1,300 per ounce gold price.

If a US\$1,500 per ounce gold price were to be used for those preliminary project valuation estimates, the net present valuation (NPV) would rise over 70% to US\$309 million.

Azumah's managing director Stephen Stone said: "It's a particularly exciting time right now for Azumah and the Wa Gold Project as we are on the home straight to deliver an economically robust, long-life gold mine development for Ghana's Upper West region, fully supported by the local community and Ghanaian Government at all levels.

"Assuming a gold price of US\$1,500 per ounce and with all other inputs being the same as were used in the 30 January 2019 Feasibility Study progress update, the estimated pre-tax post-Government Royalty NPV and IRR could increase to approximately US\$309 million and 54% respectively, illustrating the considerable gold price leverage that is inherent in the Project."

Government discussions continue

Discussions are progressing with the Ghana Government on a fiscal stability agreement, which is a regular requirement in Ghana when establishing a mining operation.

Regarding environmental licences, the Ghana Environmental Protection Agency (EPA) is presently evaluating final submissions for the issue of EPA licences for the Kunche-Bepkong and the Julie deposits.

Wa Project background

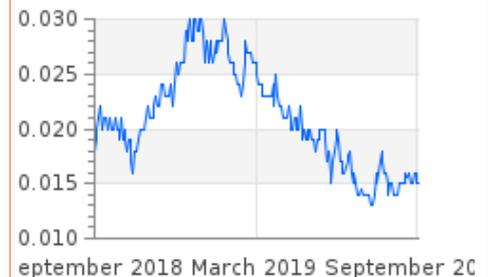
The 2.77-million-ounce Wa Gold Project hosts 12 deposits split into two areas, Wa-Lawra and Wa-East.

The three main deposits are Kunche, Bepkong, and Julie and most recently a scoping study was completed on the Bepkong deposit.

Price: \$0.01

Market Cap: \$13.7 m

1 Year Share Price Graph



Share Information

Code: AZM

Listing: ASX

52 week High Low
0.034 0.013

Sector: Mining

Website: www.azumahresources.com.au

Company Synopsis:

Azumah Resources Ltd (ASX:AZM) is a Perth-based company focused on exploring and developing its regional-scale Wa Gold Project in the Upper West Region of Ghana, West Africa. Three main deposits have been discovered and extensively drilled at Kunche and Bepkong, adjacent to the Black Volta River and Ghana's border with Burkina Faso, and at Julie approximately 80km to the east.

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The feasibility study assessing the Wa Gold Project will allow the company to make a development decision.

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