

# Tietto Minerals Ltd

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## Tietto Minerals assigned speculative buy recommendation by Argonaut

Tietto Minerals Ltd (ASX:TIE) is focused on fast-tracking the development of its Abujar Gold Project in Côte d'Ivoire, West Africa.

Exploration drilling at Abujar is expected to add to resources at very low exploration cost per ounce.

Stockbroker and research house Argonaut sees a strong probability for Tietto to improve its resource base to about 2.5 million ounces of gold in 2020 and has assigned a speculative buy recommendation.

Following is an extract from Argonaut's research report:

### Quick Read

The Abujar Gold Project (AG) is in western Côte D'Ivoire and consists of three contiguous tenements of 1,114km<sup>2</sup> with < 10% explored. It features a NNE-orientated gold corridor over a 70km strike. Geologically, the AG deposit is hosted in an intensely sheared (mylonitised) granite with zones of narrow, high-grade mineralisation (average < 200m across strike). The shallow, contiguous zones of mineralisation should enable low strip, open pit mining. TIE updated the AG Resource in November 2019 with a 24% increase in ounces to 45.5Mt at 1.5g/t Au for 2.15Moz contained gold with 860koz in the Indicated category. The Company is progressing a 50,000m drill campaign which should further increase metal inventory and assist with scoping studies (expected Q1CY20). We see significant upside via the drill bit and the +2Moz metal inventory adds M&A appeal for acquisition by nearby operators. We assign a Speculative Buy recommendation.

### Resource growth in Q4 - Positive

**Growing Resource:** TIE upgraded its resource by 24% to 45.5Mt at 1.5g/t Au for 2.15Moz contained gold in November 2019. Importantly, 860koz was in the Indicated category, split between the AG/Abujar-Pischon-Golikro (APG) deposits. The AG deposit holds a total resource of 34.3Mt at 1.6g/t Au, containing a northern high-grade core of 19.3Mt at 2.2g/t Au for 1.4Moz contained gold. The Company is progressing with an aggressive 50,000m drill program to test the extent of the southern high-grade zone of the AG deposit, while also undertaking initial regional exploration within 7km of the AG resource. We see significant potential for TIE to grow their resource base to 2.5Moz by the end of 2020.

**APG drilling intersects encouraging mineralisation:** Drilling is focussed on AG depth extensions, extensions at APG (~5km south of AG) and ~20 regional targets. Drilling at APG intersected shallow gold mineralisation including 14m @ 2.45g/t Au from 50m, 28.5m @ 1.04g/t Au from 22m, 9m @ 2.32g/t Au from 160m inc. 4.92m @ 3.8g/t Au. These drill results suggest potential further resource expansion to potentially become a satellite deposit to compliment the potential AG operation. TIE generated an APG Exploration Target of 9-23Mt at 0.8-1.1g/t gold over three areas for a combined strike length of 1.5km.

**Scoping Studies underway - potential 200koz producer:** Early stage metallurgical test work indicates ~64-84% gravity recovery and up to 99.1% CIL recovery at 75µm grind. AG has a high-grade core of 1.4Moz @ 2.2g/t Au. We predict a ~2Mtpa processing plant with an average throughput grade of 2g/t Au which could produce ~100-150kozpa

**Price:** 0.335

**Market Cap:** \$118.97 m

### 1 Year Share Price Graph



### Share Information

**Code:** TIE

**Listing:** ASX

**52 week High Low**  
0.42 0.115

**Sector:** Gold & silver

**Website:** tietto.com

### Company Synopsis:

Tietto Minerals Ltd (ASX:TIE) is listed on the Australian Securities Exchange. &nbsp;.

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over life of mine at strip ratio of ~7:1. Our capital estimates for a plant of this scale are ~US\$100m.

### Recommendation

TIE trades broadly in-line with its West African exploration peers on EV/Resource metrics. Newsflow will include additional exploration results and Scoping Study results in Q1CY20. We see a strong probability for TIE to improve their resource base to ~2.5Moz in 2020 and Argonaut assigns a Speculative Buy recommendation.

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