

# RC Drilling Commences to Boost Kunche and Bepkong Ore Reserves

- A 25-hole, ~4,500m RC drilling programme has commenced at the Kunche and Bepkong deposits
- Objective is to expand existing pits and increase Ore Reserves
- Kunche drilling planned to extend pit north, to deepen mid-pit 'saddle' area and to capture eastern lode mineralisation into pit
- Bepkong drilling is designed to extend pit north and to either capture Bepkong North mineralisation or enable a separate pit to be designed
- Results expected early- to mid-April

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**"A 25-hole, 4,500m RC drilling campaign is in full swing at the Wa Gold Project's Kunche and Bepkong deposits where the technical team of funding partner Ibaera Capital is aiming to extend and deepen existing pit designs and capture satellite mineralisation to boost Ore Reserves"** said Azumah Managing Director, Stephen Stone.

**"We last drilled the Kunche-Bepkong area several years ago so we are really looking forward to seeing what this drilling will deliver and its implications for the broader Project"**.

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West African focused gold explorer and developer, **Azumah Resources Ltd (ASX: AZM)** advises that exploration momentum continues to accelerate at its Wa Gold Project in Ghana's emerging Upper West Region with the commencement of a 25-hole, 4,500m reverse circulation (RC) drilling programme designed to extend Ore Reserves at the flagship Kunche and Bepkong deposits.

Under the technical guidance of joint venture partner, Ibaera Capital (Ibaera), a number of opportunities have been identified to reconsider existing pit designs in order to capture more mineralisation and boost Ore Reserves (Figures 1 and 2).

Drilling at Kunche is designed to test for mineralisation that might enable the existing pit to be extended north, to deepen the mid-pit 'saddle' area and to possibly capture eastern lode mineralisation into pit.

Drilling at Bepkong is designed to extend that pit north and to either capture Bepkong North mineralisation or enable a separate pit to be designed.

## ASX & Media Release

1 March 2018

ASX: AZM

[www.azumahresources.com.au](http://www.azumahresources.com.au)

### Wa Gold Project:

#### Value

2.1Moz Mineral Resource  
2,400km<sup>2</sup> fertile terrain  
624,000oz, 2.14g/t Au Ore Reserve

#### Upside

Growing resources and reserves  
Widespread anomalism  
Numerous priority targets

#### Activity

~47,000m drilling in 2018  
Feasibility Study

#### Fully Funded

<A\$17M over 2 yrs  
Ibaera Capital earning 47.5%  
directly in Project  
Ibaera technical team managing  
Project

#### Issued Capital:

699M ordinary shares  
35M 3c opts exp 13.11.2021

#### Directors & Management:

Chairman:  
Michael Atkins

Managing Director:  
Stephen Stone

Non-Executive Director:  
Geoff M Jones

#### Contact:

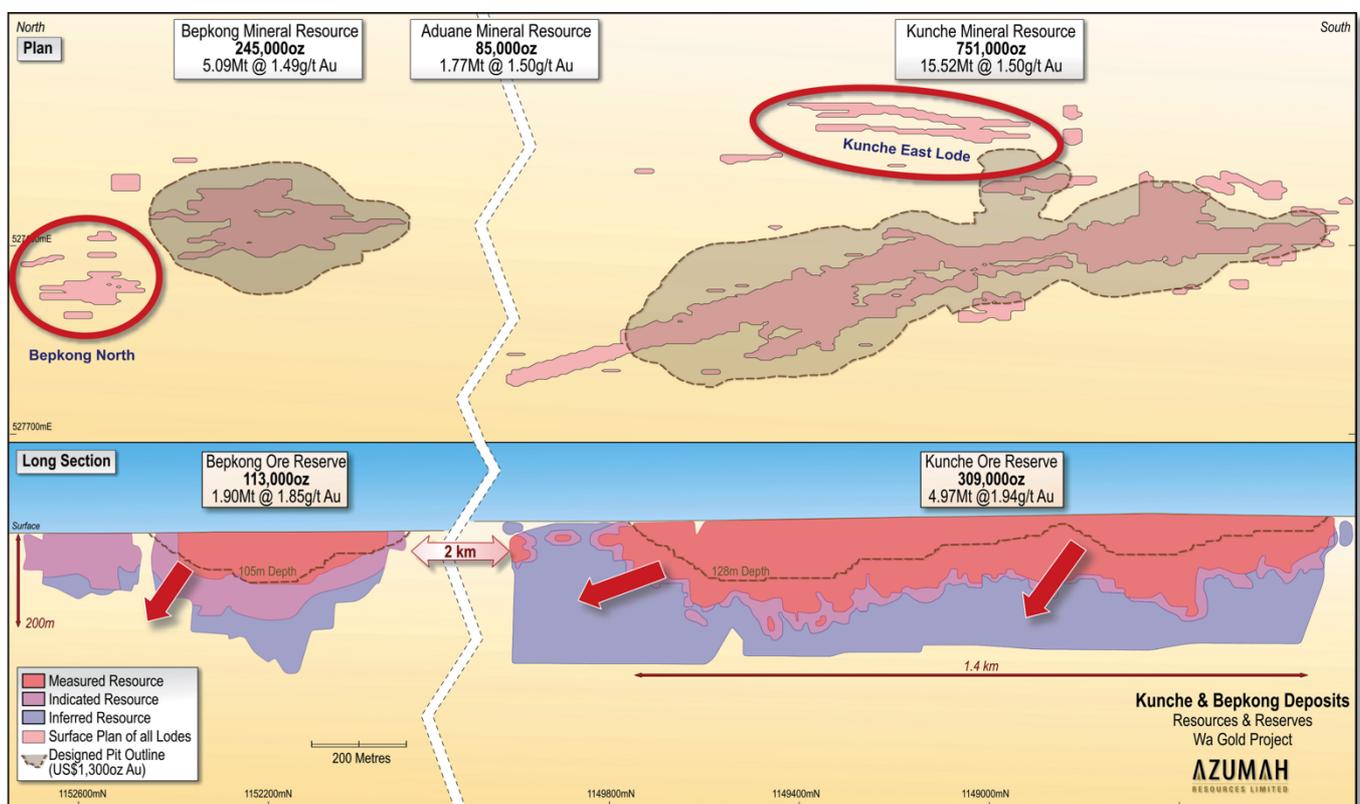
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The current Kunche and Bepkong pits extend to a maximum depth of 128m and 105m and hosts Ore Reserves of 309,000oz (4.97Mt at 1.94g/t Au) and 113,000oz (1.90Mt at 1.85g/t Au) respectively. These are contained within substantial Measured, Indicated and Inferred Mineral Resources extending to twice these depths (Tables 1 and 2).

Kunche and Bepkong mineralisation is very consistent over their respective 1,400m and 560m north-south strike lengths. During the process of discovery and infill drilling by Azumah at Kunche, Bepkong and also at the Julie deposit in the Project’s Wa East region, numerous high-grade intercepts exceeding over 100 gramme-metres have been returned (Figure 2).

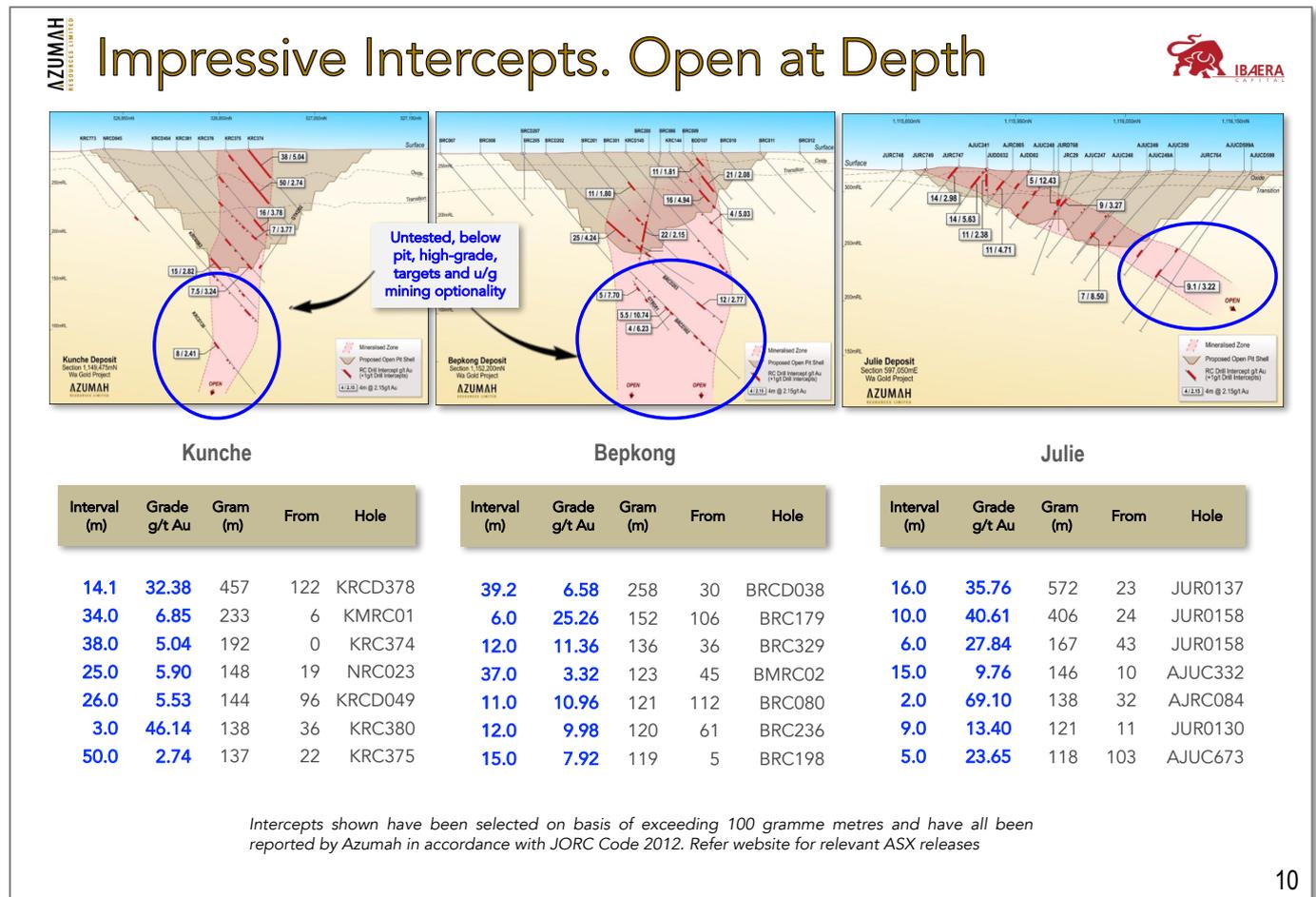
The drilling is scheduled to take five weeks with results likely to be available in early- to mid-April 2018.

**Figure 1: Schematic plan and section of Kunche-Bepkong ore deposits with red arrows and ellipses indicating focus of current RC drilling campaign**



NB: All intercepts shown reported to ASX in accordance with JORC Code 2012. Refer Azumah ASX website for full details and Competent Persons statements

**Figure 2: Historical high-grade intercepts returned from drilling by Azumah at Kunche, Bepkong and Julie**



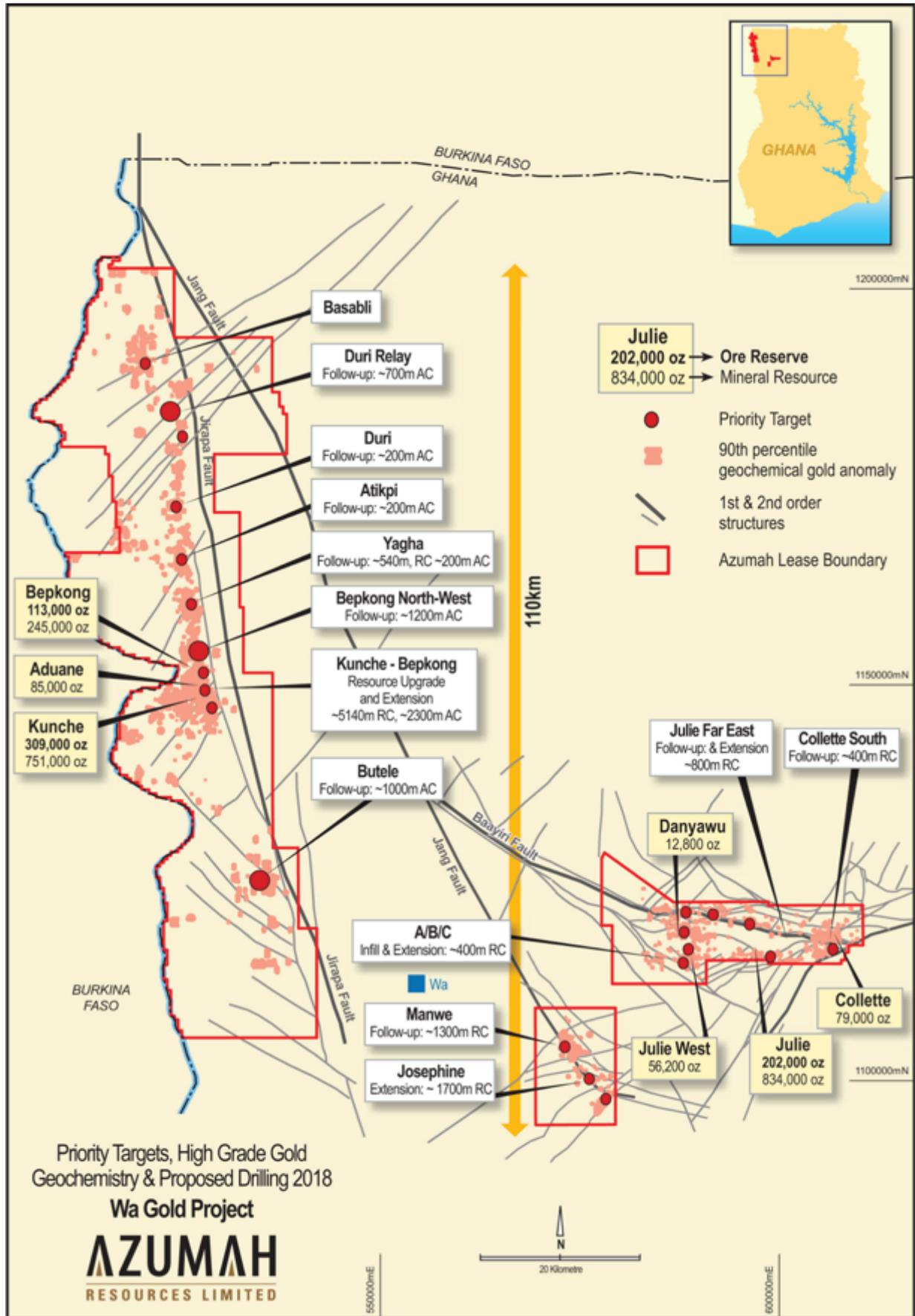
NB: Slide extracted from Azumah corporate presentation dated 5th February 2018. All intercepts shown reported to ASX in accordance with JORC Code 2012. Refer Azumah ASX website for full details and Competent Persons statements

**For further information please contact:**

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**Wa Gold Project: Priority targets and planned drilling in 2018**



Priority Targets, High Grade Gold Geochemistry & Proposed Drilling 2018



## About Azumah

Azumah Resources Limited is an ASX-listed (ASX: AZM) 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 ~80km to the east. Several satellite deposits, including Aduane and Collette, have also been delineated.

To date, the Company has delineated a JORC 2012 Mineral Resource of 2.1Moz of gold grading 1.5g/t Au, including 1.4Moz Measured and Indicated grading 1.7g/t Au, with these evenly distributed between Kunche-Bepkong and Wa East (Julie deposit). Within this a JORC 2012 Ore Reserve of 624,000oz Au (9.1Mt at 2.14g/t Au) has been defined.

Extensive metallurgical test work has confirmed a high average overall gold recovery of ~92% for the combined Kunche, Bepkong and Julie deposits.

Mineral Resources have been progressively grown through a focused, systematic approach to exploration of the Company's 2,400km<sup>2</sup> licence holdings, which encompass large tracts of prospective Birimian terrain, the rocks that host the majority of West Africa's gold mines. Much of this is covered in soil, alluvium or laterite so most discoveries have been 'blind'. Azumah anticipates Mineral Resources will grow substantially as it continues to test its large pipeline of target areas and specific prospects.

Azumah's exploration strategy is primarily driven by its need to boost Mineral Resources to increase the existing Ore Reserve base from 624,000oz towards 1.0Moz. This would more solidly underpin a development decision and improve funding capability.

Azumah has two 15-year Mining Leases over its key deposits (Ghana government holds a 10% free carried interest in their 'rights and obligations' and is also entitled to a 5% gross gold royalty).

No technical, social or environmental impediments to development have been identified, no communities need to be relocated and rehoused and there is strong support from key stakeholders for the Project. The Project benefits from excellent regional infrastructure including grid power to site, good quality bituminised and non-bituminised roads, easy access to water, a 2km sealed airstrip at the regional centre of Wa and good general communications.

## Ibaera Funding Transaction

On 1 September 2017 Azumah executed a transformative Earn-In and Shareholders Agreement (EISA) with private equity group, Ibaera Capital, whereby Ibaera can earn in two stages over two years up to a 47.5% direct interest in Azumah's Wa Gold Project for an expenditure of US\$13.5 million (~A\$17M). The terms of the EISA set out the basis for the parties to boost Mineral Resources, Ore Reserves and to deliver a study supporting a decision to proceed to production within the next two years (refer ASX release dated 2 September 2017). Ibaera's investment in the Project was preceded by a review of some two hundred other international resource projects and a very thorough due diligence on the Project itself over several months. Ibaera does not presently hold, and will not earn, any equity in Azumah Resources Limited.

## References

All references to Mineral Resources and Ore Reserves pertain to ASX releases dated 2 September 2014, 23 March 2015 and 12 October 2016 respectively. Also refer to Tables 1 and 2 herein. The Company confirms that all material assumptions underpinning the production targets and forecast information continue to apply and have not materially changed other than a positive material reduction in capital costs (refer ASX release dated 9 May 2016). For further information on Azumah Resources Limited and its Wa Gold Project please visit its website at [www.azumahresources.com.au](http://www.azumahresources.com.au) which contains copies of all continuous disclosure documents to ASX, Competent Persons' Statements and Corporate Governance Statement and Policies.

## Competent Persons' Statements

The scientific and technical information in this report that relates to the geology of the deposits and exploration results is based on information compiled by Mr Stephen Stone, who is an executive employee of Azumah Resources Limited. Mr Stone is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stone is the Qualified Person overseeing Azumah's exploration projects and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement that relates to the geology of the deposits and exploration results.

**Table 1: Ore Reserves Summary – JORC Code 2012**

(As at August 2014)	Proved		Probable		Total		Gold To Mill
	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Gold oz
Kunche	4.91	1.92	0.05	3.11	4.97	1.94	309,000
Bepkong	1.79	1.84	0.11	1.97	1.90	1.85	113,000
Julie	0.29	2.45	1.93	2.89	2.21	2.84	202,000
<b>Total</b>	<b>7.00</b>	<b>1.92</b>	<b>2.09</b>	<b>2.85</b>	<b>9.08</b>	<b>2.14</b>	<b>624,000</b>

Values have been rounded.

**Table 2: Mineral Resource Estimate – JORC Code 2012 – Updated October 2016**

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes (M)	Grade g/t Au	Gold oz	Tonnes (M)	Grade g/t Au	Gold oz	Tonnes (M)	Grade g/t Au	Gold oz	Tonnes (M)	Grade g/t Au	Gold oz
Kunche	8.42	1.7	468,000	2.24	1.4	99,000	4.86	1.2	183,000	15.52	1.5	751,000
Bepkong	2.22	1.8	128,000	1.70	1.3	73,000	1.17	1.2	44,000	5.09	1.5	245,000
Aduane							1.77	1.5	85,000	1.77	1.5	85,000
Julie	0.89	1.4	41,000	10.06	1.6	507,000	5.98	1.5	286,000	16.93	1.5	834,000
Julie West				0.38	4.2	52,000	0.03	4.0	4,000	0.41	4.2	56,000
Danyawu				0.07	5.5	13,000				0.07	5.5	13,000
Collette							1.69	1.5	79,000	1.69	1.5	79,000
<b>Total</b>	<b>11.52</b>	<b>1.7</b>	<b>637,000</b>	<b>14.45</b>	<b>1.6</b>	<b>744,000</b>	<b>15.50</b>	<b>1.4</b>	<b>681,000</b>	<b>41.49</b>	<b>1.5</b>	<b>2,063,000</b>

Note: Values have been rounded. A lower cut-off of 0.5g/t Au was used for Kunche, Bepkong, Aduane, Julie and Collette, and a lower cut-off of 1.0g/t Au was used for Julie West and Danyawu.

Statements of Competent Persons for the various Mineral Resource Estimates, Ore Reserve Estimates and Process Metallurgy can all be found on the Company's website at: [http://www.azumahresource.com.au/projects-competent\\_persons.php](http://www.azumahresource.com.au/projects-competent_persons.php)

## Forward-Looking Statement

All statements other than statements of historical fact included on this website including, without limitation, statements regarding future plans and objectives of Azumah, are forward-looking statements. Forward-looking statements can be identified by words such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'potential', 'project', 'seek', 'will' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties,

assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Azumah that could cause Azumah's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained on this website will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. Azumah does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained on this website, except where required by applicable law and stock exchange listing requirements.