



Paydirt
June, 2017
 Page: 78
 Section: General News
 Region: National, AU
 Circulation: 4701
 Type: Magazines Trade
 Size: 566.00 sq.cms.



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REGIONAL ROUNDUP

AFRICA



Giro is the Lucky Winner for Amani

A capital injection of \$US25 million could help Klaus Eckhof realise his ambition of defining the next Kibali.

Eckhof's Amani Gold Ltd (formerly Burey Gold) has entered into a non-binding MoU with Hong Kong's Luck Winner Investment Ltd to raise the capital required to kick-start the Giro gold project in the DRC.

The capital raising comprises the issue of 500 million shares at 5c/share, with additional free-attaching options of 250 million at 7c/share with a term of two years from the issue date.

Once completed, Luck Winner will hold about 28% of issued shares in Amani and become the company's cornerstone investor.

Amani chairman Eckhof told **Paydirt** the capital raising would put the company in a strong position to take the project towards an initial PFS and measured resource.

"[Luck Winner] were pretty keen on production, so they want to do a big infill drilling programme after the maiden resource and get it up to a measured resource fairly quickly," Eckhof said.

"We are trying to get the resource up to 4-5 moz hopefully, that's basically the target. With the backing of the Chinese, we can be fairly aggressive.

"[Luck Winner] were looking for a \$US100 million investment, which I couldn't really do. We agreed on a \$US25 million investment initially and they will potentially look to finance or actually buy the plant themselves. They certainly have a fast-tracked vision there at the moment. The exploration programme will also be aggressive."

Giro is only 30km away from the 17 moz Kibali gold mine – the Randgold Resources Ltd/AngloGold Ashanti Ltd JV



Amani is raising \$US25 million to continue exploration at the Giro gold project in the DRC

Amani also plans to start aggressively exploring the neighbouring Tendao project.

"[Investors] are also keen to explore Tendao, which we are in the process of acquiring," Eckhof said.

"[Tendao] is around 5km of old workings and operations from the Belgians out of the 1950s. We've done a lot there already, but we won't start drilling until the final signature is done.

"With that project there is probably another chance to maybe find another 2 moz fairly quickly and at very good grades."

Once Luck Winner completes the next stage of due diligence, both parties will enter into a binding subscription agreement.

The two key shareholders of Luck Winner are Yu Qiuming and Fu Shen, who both have several years of experience in developing and mining copper and gold projects in China.

Eckhof said the Chinese offer wasn't the only one on the table, but it was the most attractive.

"[Lower offers] didn't really interest me because the last placement was done at 5c/share," he said.

"That is why I tried to get somebody else to come in who would also take it at 5c/share, rather than taking it at the lower levels."

Momentum seems to be building at Amani and the Giro project, and investors are starting to notice.

"For the other companies I have, suddenly I have started getting a lot of phone calls. People are wanting to take big stakes in it," Eckhof said.

"There seems to be a big appetite suddenly from China...I think they have to deploy the US dollar somewhere, in resources in general. That is the only way they can do it."

– Jon Daly

which Eckhof was instrumental in discovering.

He is already noticing similarities between it and Giro.

"Kibali, I mean that is pretty much the same as [Giro] in volcanoclastic rocks. You have also got the granodiorite intrusions. It is pretty much the same sort of setting," Eckhof said.

"The question is if I have got multiple resources everywhere, I haven't got that yet. But then again... it took me four or five years to develop all the other separate deposits [at Kibali]."

Made up of two exploration permits covering 497sq km, the Giro project sits within the largely unexplored Kilo-Moto belt.

Amani has reported significant mineralisation from the maiden drilling programme at the Douze Match prospect, with results including 2m @ 196 g/t gold from 12m, 15m @ 255.6 g/t gold from 15m and 3m @ 1,260 g/t gold from 15m.

Drilling at the Kebigada prospect has also returned some encouraging results, including 97m @ 2.56 g/t gold from surface, 47m @ 4.13 g/t gold from 25m and 29m @ 5.93 g/t gold from 25m.



Klaus Eckhof