

Miningnewspremium.net

Kunche East boosts Azumah

Monday, 20 August 2007

Colin Jacoby

SHARES in Azumah Resources gained 15% this morning after the company announced the discovery of multiple zones of surface gold mineralisation at its wholly owned Wa-Lawra gold project at Kunche East, north-west Ghana.

The stock opened up 2.5c at 19.5c after the company said the results from a recent geological mapping and rock chip sampling program identified mineralisation zones parallel to and east of Azumah's 500,000oz Kunche gold resource.

"This area is considered to have the potential to host significant gold mineralisation in quartz vein zones in a similar structural setting to that seen at Kunche," Azumah said.

Azumah said the Kunche East area – 300m east of Kunche – was defined by parallel zones and associated gold-in-soil anomalism up to 1km in length.

The company said the zones are associated with elevated rock chip values within +50 parts per billion gold-in-soil anomalies, and geological mapping has identified outcropping zones of quartz veining with the target areas.

Azumah said most zones had gold values in rock chips in excess of 0.1 grams per tonne gold and a strongly mineralised area with spot values of 5.77gpt gold, 3.23gpt gold, 4.07gpt gold, 2.91gpt gold and 2.12gpt gold over a strike length of 200m.

Azumah has completed auger drilling of most of the 1km long and 500m wide Kunche East area, with results expected in September.

Reverse circulation drilling at Kunche scheduled for September could increase the Kunche resource by testing the extensions to the known mineralisation and by testing Kunche East.

Azumah has also been granted two prospecting licences over the northern extensions of the Kunche shear and Basabli gold corridor, an additional 298 square kilometres of area available for drilling.