

# Bonanza in Burkina Faso

Stuart McKinnon

Mark Connelly-chaired gold explorer West African Resources continues to reward shareholders with bonanza gold grades from drilling at its Sanbrado project in Burkina Faso.

Shares in the Scarborough-based explorer surged to a 10-month intraday high of 37.5¢ yesterday after it revealed assay results from recent drilling at the M1 deposit had returned an intercept of 21m at 53.13 grams a tonne gold from 408.5m including 0.5m at 1613gpt.

The same hole also returned 0.5m at 530.38gpt and 14.5m at 38.27gpt.

The company is pursuing a similar strategy to another former Mark Connelly-headed West African gold explorer, Papillion Resources, which built a 5.2 million ounce gold deposit in Mali, before

being taken out by Canada's B2Gold in 2014 in a \$615 million deal.

Mr Connelly also sits on the board of Ghana-focused gold explorer Cardinal Resources and Ausdrill, which was a one-time shareholder in West African and the company's drilling contractor.

Managing director Richard Hyde has indicated the company will keep the drill rigs running at Sanbrado in a bid to maximise the project's net present value, before finalising a development strategy and project finance.

"The board has decided to focus

on resource and extensional drilling for the remainder of 2017, and will revisit development scenarios in the first half of 2018," he said.

"Five out of six diamond holes this year at M1 South have hit extremely high grades."

And the company is well-cashed

up to continue its program with \$14 million in reserves and \$7.5 million in in-the-money options.

Investors are waiting for a resource upgrade for the project expected next quarter.

A definitive feasibility study on Sanbrado released in February envisages a combined open pit and underground operation with forecast production of 150,000 ounces a year over the first three years of the project and 93,000oz a year over a nine-year mine life. Shares in West African Resources closed up 2.5¢, or 8.48 per cent, to 32¢.



**West African Resources chairman Mark Connelly.** Picture: Sharon Smith