

AIM: MINING

AFRICAN AURA MINING (AAAM)

What we said: Buy

When: 17/07/09

Price: 4p (32p post consolidation)

Now: Drilling by African Aura Mining has confirmed a significant extension of the gold zone at depth at its New Liberty project in Liberia. The project's current gold resource of 1.4m ounces was estimated from drilling down to a depth of 300m. These encouraging results, which show that the ore body extends down to at least 450m, suggest significant potential to expand the resource base further.

The results released are based on the first nine drill holes, which represent 3,558m out of the planned 10km drill programme that is expected to be completed in April. The drilling results will contribute to a scoping study, expected to be finished in the third quarter of 2010, for an open pit and/or underground mine targeting annual production of 100,000 ounces of gold.

These encouraging drill results suggest significant potential to expand the New Liberty gold resource and the shares continue to rate a buy at 73p.

Buy