

Afminex spins off exploration assets

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MARK Calderwood of new company Perseus Mining begins an international fundraising roadshow this week for an IPO that will seek \$5-7.5 million for gold exploration projects in West Africa and the Kyrgyz Republic.

The projects are being spun out of ASX-listed Afminex, which has decided to focus its attentions on the oil industry.

Aside from Calderwood, who will be managing director, Perseus will feature fellow Afminex directors Colin Carson and ubiquitous Perth businessman Reg Gillard, with Canadian and Kyrgyz-based structural geologist Dr Alex Becker rounding off the board.

Calderwood has served as Afminex's West African managing director since 1995 and, according to Perseus, was responsible for the discovery of the Tarmoola gold deposit in Western Australia when he was with Mt Edon Mines.

If the full quota of 37.5 million shares are taken up - and Calderwood believes they will be - the public will hold just over 48% of the issued capital of the new company, with Afminex the biggest shareholder with a 30.52% stake.

Calderwood argues Perseus' three main projects have enough going for them to be lead projects in separate companies, with much of the earlier stage work/risk carried out whilst they were held by Afminex.

At Tengrela in Cote d'Ivoire, Calderwood says Perseus is looking at nine major soil anomalies covering ground that on the other side border in Mali yielded six deposits from fewer analogous anomalies. Those deposits include the 7 million ounce Morila, 6Moz Syama, and the 3Moz Tongon deposits held by Randgold.

Tengrela will have \$630,000 spent on it in the first 12 months after Perseus' listing, which is expected to be in April.

A potential short-to-medium-term cash flow opportunity lies with the 72% held Grumesa project in Ghana, where there is potentially a heap leachable resource of 15Mt grading 0.9gpt. Within that there is a higher-grade 600,000t at 2.1gpt which could be trucked to the nearby, and oxide-hungry, Obuasi mill owned by AngloGold.

Grumsea is 18% held by Ashanti (recently taken over by AngloGold) and Calderwood says discussions have taken place.

Meantime, in the Kyrgyz Republic Perseus' mainstay Savoyardy and Kyldoo projects have attracted the attention of Canadian company Lalo Ventures, which is spending US\$6 million and US\$3.5 million respectively to earn 70% stakes in both projects.

Savoyardy is believed to have around 1.1Moz of resources - as calculated during the Soviet era - though no drilling has ever been undertaken. Previous exploration entailed developing a large adit, from which Lalo will begin drilling in the next two to three months, once the winter begins to withdraw.

Both projects are in the Tien Shen gold belt, the second richest in the world, and Kyrgyz is expected to sharpen on investors' radars over the course of the year as the spin-out of Cameco's 17Moz Kumtor mine unfolds.