

Mako zooms in on next drill target

For “hardcore” exploration geologists Peter and Ann Ledwidge, it has become customary over the years to be on site for the start of every new exploration programme.

This year, however, the global COVID-19 pandemic and associated travel bans have meant Mako Gold Ltd’s managing director and head of exploration were unable to make it to Cote d’Ivoire in late June to watch the first hole being drilled into the Tchaga prospect at the company’s flagship Napie project.

Nevertheless, the Ledwidges have settled on “remote-controlling” the programme from their home base in Brisbane and backed in their experienced on-ground crew to deliver the exploration goods.

“Ideally we’d like to be on the ground a little bit more, but it’s really not slowing us down,” Peter Ledwidge told **Paydirt**.

“We do have such an experienced crew, they were with us when we were with Orbis Gold and we’ve known them for the better part of 10 years, so they know our system of doing things and they’re very professional.

“Ann usually likes to go and spend a considerable amount of time on the ground and usually when I go to Cote d’Ivoire I spend a lot of my time in the city doing deals and meeting with the Government and things like that. Then I go up [to site] for a week which to me is almost like a holiday where I get to walk around with a rock pick and crack rocks open.

“I am a hardcore exploration geologist at heart, so yes, it is a little bit frustrating, but we can still advance the projects nicely.”

Drilling has been under way since the last week of June with the Mako team hop-

ing this programme will put the company on the verge of a maiden resource estimate for the emerging Tchaga prospect.

It is the first time Mako has been seriously active on the ground at Napie since pausing all work in February due to the coronavirus outbreak. In light of that unexpected hiatus, the company is planning to keep drilling all the way up until Christmas.

“We’ll stop for a short while during the peak of the wet season, but we’re going to push it as much as we can,” Ledwidge said.

“We’ve had five drill programmes since listing [in April 2018] and every one of them has delivered very nice results, so we don’t see why the drilling between now and the end of the year should be any different. We’re very excited about what we’re doing.”

Despite the lack of activity on the ground in the first half, Mako was kept busy on the corporate front with the sale of its non-core Niou project in Burkina Faso to Nordgold SE, as well as an oversubscribed capital raising of \$3.25 million.

Under the terms of the sales agreement with Nordgold, Mako will receive \$US700,000 (about \$1.1 million) cash and retain a 1% NSR if the new owner discovers a resource of at least 2 moz and advances the project to production.

Nordgold has the right to repurchase the NSR for \$US4.5 million (about \$6.8 million) at any time.

“For us as a small junior company, you only have so much money to go around,” Ledwidge said.

“As tempting as it is to advance other projects – and we only had 12 drill holes in that property and we did all the lead up work to the drilling – as a small junior

you’ve really got to focus on those milestones and that next milestone is to get a maiden resource on Napie.

“It was a little bit heartbreaking parting with that project, but that [sales] money can now be applied to our Napie project. It’s a good deal for us and for them as the project is within 50km of one of their mines.”

While the sale of Niou was relatively small fish compared to some other recent transactions, M&A is certainly heating up in West Africa.

Already this year Endeavour Mining Corp has acquired fellow gold producer Semafo Inc, Perseus Mining Ltd has made a move on ASX-listed junior explorer Exore Resources Ltd and Cardinal Resources Ltd is subject to bids from Shandong Gold Mining and Nordgold.

“I think the investment community has realised how important Africa is, and specifically West Africa,” Ledwidge said. “If you think about it, the whole Birimian area has got 70 plus-1 moz gold deposits and over 40 of those are greater than 3 moz, so it’s elephant country and they’re on surface for the most part, they’re not digging underneath old headframes.”

As part of the current exploration effort over the 224sq km Napie project, Mako will undertake follow-up drilling on a series of targets which have received little or no exploration attention since mid-2018. First assay results were expected at the time of print.

Mako was also awaiting confirmation from the Ivorian Government on whether its application for two new exploration licences had been successful.

– Michael Washbourne



Mako’s in-country team observing social distancing prior to the restart of drilling at the Napie gold project, Cote d’Ivoire