

Ariana Resources PLC

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Ariana Resources sees Salinbas as major gold district

How it's doing

Results released in July showed profits in 2019 at just under £7mln.

The impressive performance resulted in Ariana's JV at Kiziltepe fully paying off its US\$33mln capital loan to build the mine in April.

Since then, it has also taken a 9.2% stake in Venus Minerals, an explorer focused on copper-gold projects on the island of Cyprus.

In the second quarter of the current year, Kiziltepe in Turkey produced 4,679 ounces, down from 5,129 ounces but in line with guidance issued for the half-year.

July also saw a 50% increase in the size of the resource at Ariana's Salinbas project.

The total amount of gold at the 100%-owned project is now estimated at 1.5mln ounces (Moz), up from 1mln previously, and split between two licences - Salinbas and Ardala.

In addition, there has been a significant upgrade in the classification of the resource at Salinbas, said Ariana, with 35% now in the measured (11%) and indicated (24%) categories.

What's next

The company has forecast that 2020 gold production at its Kiziltepe mine will be around 30% above its feasibility plan for this stage of the operational mine life.

The firm said gold production for the year will be around 18,000 ounces of gold with an average grade expected to be at 2.5 grams per tonne.

Throughput to the mill, meanwhile, is expected to be around 205,000 tonnes, a 37% increase over the feasibility plan.

What the boss says: Kerim Sener, Managing Director

Ariana's managing director, Kerim Sener, said that the recent fall in the price of oil will result in a "positive effect" on the company's mining and processing costs, while gold prices had continued to remain at levels "substantially higher" than forecast.

"These, along with other positive trends including the declining value of the Turkish Lira, reinforce the economics of the

Price: 5.75

Market Cap: £61.1 m

1 Year Share Price Graph



Share Information

Code: AAU

Listing: AIM

52 week High Low
6.6 1.7505

Sector: Gold & silver

Website: www.arianaresources.com

Company Synopsis:

Ariana Resources plc is an AIM-listed gold-silver exploration and development company with operations in Turkey. It has a proven strategy of identifying and developing mineral resources and advancing them to production through joint ventures.

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Kiziltepe operation", he added.

Sener also said that the firm was taking "extensive precautions" against coronavirus and was "not anticipating disruption" to production at the site.

Video

Inflexion points

- **Annual production rises to 50koz/year (from 25koz/year) following the hoped-for commencement of mine development at Tavsan**
- **Licences at Salinbas renewed until 2024 with mining permit area at Ardala extended**
- **Salinbas deposit upgraded to 1.5mln in July**

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