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**Analysts' Ideas of the Week – Up and Coming Junior Gold Player in Ghana**

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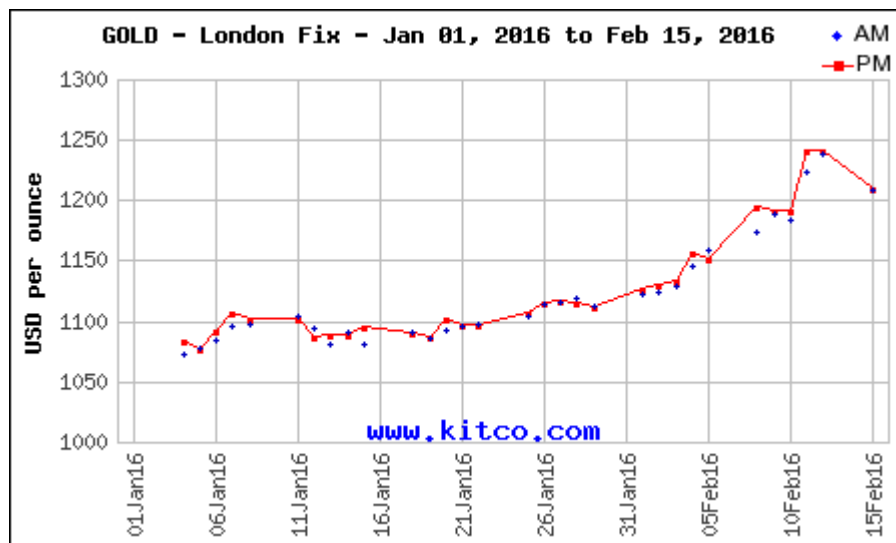
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**Up and Coming Junior Gold Player in Ghana**

Gold has been one of the best performing commodities this year with prices up by 13% YTD. With gold starting to show some signs of recovery, we believe now is a good time for investors, who are not already exposed to gold juniors, to get out there bargain hunting.



This week, I would like to introduce you to an up and coming gold junior - Asante Gold Corporation (CSE:ASE). Here is a brief background on the company.

Asante is spearheaded by the former CEO of PMI Gold Corporation, Douglas R. MacQuarrie, where he was responsible for delineating a multi-million ounce deposit in Ghana. Mr. MacQuarrie holds approximately 9 million common shares of Asante (25+% of the total outstanding shares), which clearly shows his skin in the game, and his strong conviction on Asante’s prospects.

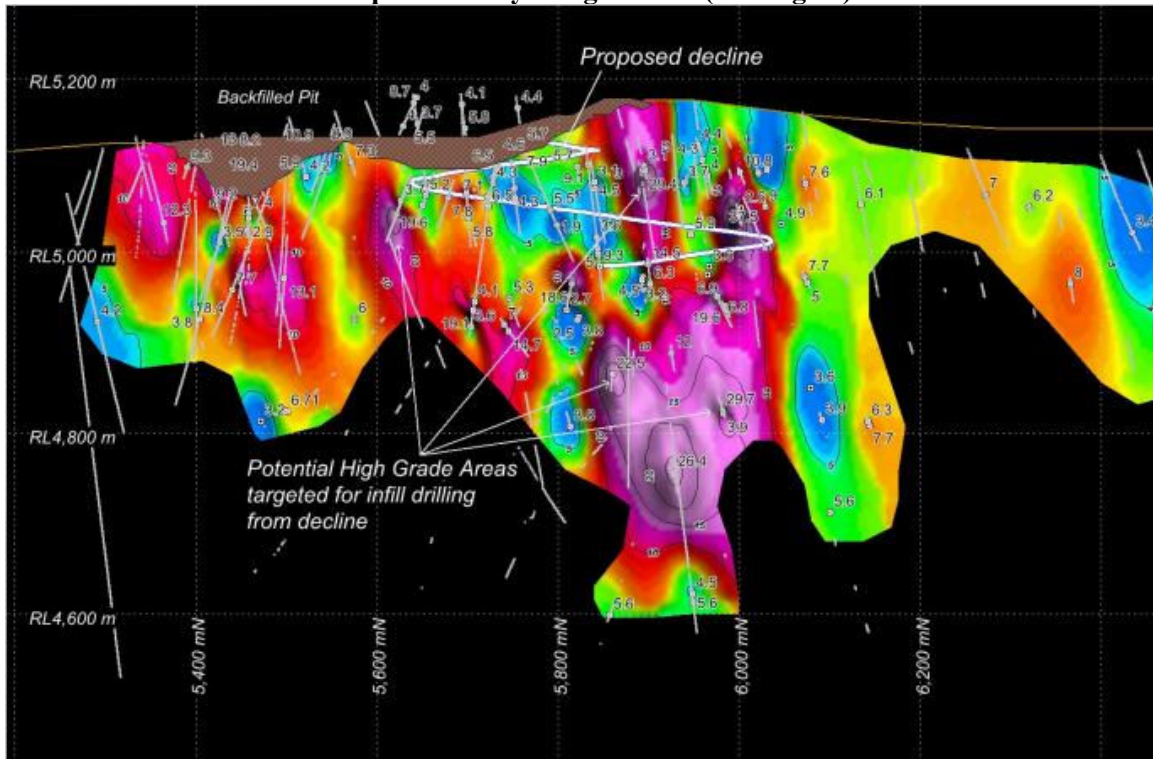
Asante is focused on the Kubi Gold project in Ghana, West Africa. Ghana is the second largest gold producer in Africa. The company had entered into an option to acquire the project last year. The project is in close proximity to AngloGold Ashanti's (NYSE: AU) 60+Moz Obuasi Gold Mine. It has been subject to approximately US\$30 million in historic drilling, exploration and development by BHP Billiton (NYSE: BHP), Nevsun Resources (NYSE: NSU), and PMI Gold.

The current NI 43-101 compliant resource estimate of Kubi is shown below:

- Measured - 0.66 million tonnes at 5.30g/t for 112,000 oz
- Indicated - 0.66 million tonnes at 5.65g/t for 121,000 oz
- Inferred - 0.67 million tonnes at 5.31g/t for 115,000 oz

One of the key positives of the project is that preliminary deep drilling indicates grades increasing with depth, with significant areas showing potential for 8+ gpt. Management is targeting these areas for initial production (see image below).

**Composite Assay Long Section (looking W)**



Source: Company

Asante's plan is to develop a 500 tpd underground gold mine producing at about 30 – 40koz p.a. using custom milling and direct shipping operations. They believe they can get the project into production within just 14 months, with a capital budget of approximately US\$20 million. The project has already received a 20 year renewable mining lease, of which, 12 years is remaining.

In addition to Kubi, the company also holds the Fahiakoba exploration project, located 9 km west of Kubi, and adjoining to the north of Perseus' (ASX: PRU) 6.6 Moz Edikan Mine.

ASE is currently trading at \$0.05 per share. In a press release on February 8, 2016, the company announced a small private placement at \$0.10 per share. We expect several catalysts for the shares this year due to Kubi's near-term production potential.

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