

Stock Data

Share Price:	5.88p
Market Cap:	£10.5m
Shares in issue:	190.5m

Company Profile

Sector:	Gold Mining
Ticker:	CORA
Exchange:	AIM

Activities

Cora Gold Limited ('CORA', 'Cora', 'the Company') is a gold exploration company focused on two world class regions in Mali and Senegal. Its flagship project is the Sanankoro discovery in southern Mali which management believes has the potential for a standalone mine, having published a positive Scoping Study on the asset showing an 84% IRR and US\$30.9m NPV at a US\$1,400 gold price.

Share price performance



Source: [LSE](#)

Past performance is not an indication of future performance.

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Cora Gold Limited

Cora Gold Limited, has announced its final audited results for the year ended 31 December 2019. During the period, the Company declared a pit constrained Maiden Inferred Mineral Resource at its Sanankoro Gold Project of 5.0 million tonnes (Mt) at 1.6 g/t Au for 265,000 ounces of gold towards the end of 2019, along with reconfirmation of the SRK-derived Exploration Target of between 30 Mt and 50 Mt at a grade of between 1.0 and 1.3 g/t Au, for approximately 1-2 million ounces of gold. A Scoping Study on the Sanankoro Gold Discovery announced post period-end based on a 1.5Mtpa Heap Leach Mine, determined an 84% internal rate of return ('IRR') and US\$30.9 million net present value ('NPV') (base on an 8% discount rate). A cash balance in excess of £1m was bolstered in April 2020 through a further equity fundraising of £2.89m (gross), leaving the Company in a strong financial position to progress Sanankoro toward development.

Feasibility study work planned for 2021

The West African focused gold company intends to focus initially on growing the Sanankoro Gold Project's oxide resources with a view to increase its mine life, while also advancing metallurgical and other studies undertaken as part of the Scoping Study, ahead of moving into feasibility study work in 2021 on the back of anticipated positive results. The Mineral Resource Estimate ('MRE') is based on under 25% of the total 40 linear kilometre strike length of the Project's potential mineralised zones identified to date; the majority (88%) of the Inferred MRE is derived from oxide material, although the small amount in sulphide confirms the Board's belief that exploration expansion into the sulphide zones could provide significant future upside.

Cora will continue to follow its strict protocols to reduce the risk of transmission of COVID-19 at the Company's operating field camps. Accordingly, its current drill programme at the Madina Foulbé Permit in eastern Senegal has been suspended, although certain works are now continuing across a number of permits in Mali, including some of those in the Sanankoro Project Area in the Yanfolila Gold Belt.

Audited results for the year ended 31 December 2019

While overhead costs reduced to US\$0.679m (2018: US\$0.837m) during the year to end-2019, impairment charges amounting to almost US\$0.8m lifted the Company's full year losses to US\$1.475m (2018:US\$0.837m). Year-end cash was US\$2.058m (2018:US\$0.823m) and added to post-period through a subscription for new ordinary shares raising £2.89m (gross) that was completed on 21 April 2020.

Significant upside to TPI's base case valuation

The results of a scoping study demonstrated Sanankoro's potential to become a highly profitable oxide mine, delivering a short capex payback, with an annual average free cash flow of over US\$19m. Whilst TPI's assessment as yet does not include Cora's Madina Foulbé (nor its Diangounte East and Yanfolila projects) within its valuation, it nevertheless sees significant upside given the large anomalous soil geochemistry anomalies encompassing the Tambor and Madina targets and previous drill results. Having adjusted its financial model for March's equity fund raise, TPI's arrives at a base case valuation of £19.8m or 10.4p/share valuation for Cora, implying at least 75% upside to the current share price.

Please note that TPI's valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone

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