

TSX: ASO
AIM: ASO

TORONTO, Jan. 12, 2017 /CNW/ - [Avesoro Resources Inc.](#) ("Avesoro" or the "Company"), the TSX and AIM listed West African gold producer, is pleased to announce gold production for the quarter ended 31 December 2016 (the "Period") for its New Liberty Gold Mine ("New Liberty") in Liberia and to provide an operational update.

Total gold production for the Period was 18,872 ounces, a 34% increase over the previous quarter and in line with guidance of 17,000 to 20,000 ounces for the Period. This brings full year production for 2016 to 63,556 ounces.

Operational Update

Following the successful transition to in-house mining operations as announced on 6 September 2016, mining activities have continued to progress with material mined during the quarter totalling 3,342,469 tonnes, a 76% increase on the previous quarter, including 302,822 tonnes of ore at an average grade of 2.61 g/t. The increase in tonnes mined has been driven by operational improvements including additional operator training and supervision together with increased equipment availability.

Throughout the second half of 2016, processing operations at New Liberty have stabilised, and plant utilisation for the Period increased to 91%. This has been achieved through the recruitment of additional experienced process plant operations staff, a proactive maintenance schedule, improved tailings and surface water management as well as incremental improvement to the detoxification circuit and process plant pipes, pumps and valves. Ore processed during the Period totalled 269,081 tonnes at an average feed grade of 2.09 g/t with gold recovery levels increasing to 87% for the Period, a 13% increase over the previous quarter aided by the general plant optimisation.

Notwithstanding this improvement in performance, optimisation activities and infrastructure improvements continue at New Liberty, with upgrade works to the Tailings Storage Facility ("TSF") to increase its capacity and improve surface water management continuing and two additional PSA oxygen plants currently being expedited to site and expected to be installed and operational by mid-Q1 2017. Following the successful transition to owner-operator mining, the Company is also now focused on bringing a number of additional outsourced activities in-house and further optimising the operation.

Commenting, Serhan Umurhan, Chief Executive Officer, of Avesoro Resources, said:

"The Period has seen further improvements across the entire operation and we are pleased with the continued progress being made. The performance in the fourth quarter was an improvement on the previous quarter with record tonnage of material moved and the plant operating in line with expectations resulting in our quarterly guidance being met and providing the Company with a solid platform for a material improvement in financial performance commencing in Q1 2017. Whilst the forthcoming financial results will reflect the historic operational issues, we look forward to delivering further advances in operational and financial performance during 2017 and we intend to update our investors with production guidance for 2017 later this month."

About Avesoro Resources Inc.

The Company's assets include the New Liberty Gold Mine in Liberia (the "New Liberty Gold Mine," "New Liberty" or the "mine") which has an estimated proven and probable mineral reserve of 8.5 Mt with 924,000 ounces of gold grading 3.4 g/t and an estimated measured and indicated mineral resource of 9,796 Kt with 1,143,000 ounces of gold grading 3.63 g/t and an estimated inferred mineral resource of 5,730 Kt with 593,000 ounces of gold grading 3.2 g/t. A Definitive Feasibility Study ("DFS") has been completed, the first gold pour has taken place and commercial production has been declared. The foregoing mineral reserve and mineral resource estimates and additional information in connection therewith are set out in the Company's technical report dated March 25, 2015 and entitled "New Liberty Gold Project, Bea Mountain Mining Licence Southern Block, Liberia, West Africa, Definitive Project Plan."

The New Liberty Gold Mine is located within the Southern Block of the 100% owned Bea Mountain mining licence. This licence covers 478 km² and has a 25 year, renewable, mineral development agreement. The Bea Mountain mining license also hosts additional gold projects of Ndablama, Gondoja, Weaju and Leopard Rock which are the focus of exploration programs during 2016. Ndablama has an indicated mineral resource of 386,000 ounces of gold grading 1.6 g/t and inferred mineral resource of 515,000 ounces of gold grading 1.7 g/t and Weaju has an inferred mineral resource of 178,000 ounces of gold grading 2.1 g/t. The Yambesei (473 km²), Archaen West (56 km²), Mabong (36.6 km²) and Mafa West (15.6 km²) licences will also be subject to preliminary reconnaissance geological work. The foregoing mineral resource estimates and additional information in connection therewith are set out in the Company's technical report dated December 1, 2014 and entitled "Ndablama and Weaju Gold Projects, Bea Mountain Mining Licence, Northern Block, Technical Report on Mineral Resources" ("Ndablama and Weaju Technical Report 2014").

The Company also has a gold exploration permit in Cameroon.

Qualified Persons

The Company's Qualified Person is Mark J. Pryor, who holds a BSc (Hons) in Geology & Mineralogy from Aberdeen University, United Kingdom and is a Fellow of the Geological Society of London, a Fellow of the Society of Economic Geologists and a registered Professional Natural Scientist (Pr.Sci.Nat) of the South African Council for Natural Scientific Professions. Mark Pryor is an independent technical consultant with over 25 years of extensive global experience in exploration, mining and mine development and is a "Qualified Person" as defined in National Instrument 43 -101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators and has reviewed and approves this press release.

Forward Looking Statements

Certain information contained in this Announcement constitutes forward looking information. This information may relate to future events or the Company's future performance. All information other than information of historical fact is forward looking information. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "predict" and "potential" and similar expressions are intended to identify forward looking information. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking information. No assurance can be given that this information will prove to be correct and such forward looking information included in this Announcement should not be unduly relied upon. This information speaks only as of the date of this Announcement.

Actual results could differ materially from those anticipated in the forward looking information contained in this news release as a result of the risk factors, including: the risk that the waiver and standstill agreement will terminate; risks normally incidental to exploration and development of mineral properties; the inability to obtain required waivers and amendments from the Company's creditors in respect of its debt repayment obligations and consequential risks of default thereon; risks related to operating in West Africa; health risks associated with the mining workforce in West Africa; risks related to the Company's title to its mineral properties; adverse changes in commodity prices; risks related to current global financial conditions; the inability of the Company to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities and other risks relating to the legal and regulatory frameworks in Liberia, including adverse changes in applicable laws; competitive conditions in the mineral exploration and mining industry; risks related to obtaining insurance or adequate levels of insurance for the Company's operations; risks related to environmental regulations; uncertainties in the interpretation of results from drilling; risks related to the legal systems in Liberia; risks related to the tax residency of the Company; changes in exchange and interest rates; risks related to the activities of artisanal miners; actions of third parties that the Company is reliant upon; lack of availability at a reasonable cost or at all, of plants, equipment or labour, including required equipment, explosives and other necessary material not being delivered in the expected time frame, or at all; the inability to attract and retain key management and personnel; political risks; and future unforeseen liabilities and other factors.

The forward looking information included in this Announcement is expressly qualified by this cautionary statement and is made as of the date of this Announcement. The Company does not undertake any obligation to publicly update or revise any forward looking information except as required by applicable securities laws.

SOURCE [Avesoro Resources Inc.](#)

Contact

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