

Africa Snapshot: Five juniors seeking gold, diamonds and REEs

While mid-tier gold and copper miners and developers in Africa have caught much of the attention of investors, there remains a vital contingent of small juniors that are active at a variety of mineral projects on the African continent. Here are five such companies:

GALANE GOLD

Nick Brodie-led, Toronto-based Galane Gold (TSXV: GG; US-OTC: GGGOF) is an unhedged gold producer and explorer, with mining operations and exploration ground in southern Africa.

One asset is the Mupane gold mine in northeastern Botswana, which Galane acquired from Iamgold in 2011, and has been in production since 2005. Galane is working to boost production at Mupane to 30,000 oz. gold annually and lower all-in sustaining costs (AISCs) to US\$980 per oz., as the mine sees improved grades, higher recoveries and consistent ore supply. Mupane remains Botswana's only gold mine.

Galane's other key asset is the Galaxy gold mine in South Africa's Mpumalanga province, which Galane acquired in November 2015 and then rehabilitated. Galane describes it as one of the oldest mining operations in South Africa, with the discovery of gold by Jack Greaves in 1888. Galane wants to expand Galaxy to a 60,000 oz. per year producer, with AISCs below US\$400 per ounce.

Galane sold 5,531 oz. gold in the first quarter of 2017, and ended the quarter with \$1.2 million in cash.

Galane is proposing to buy Australian gold mining company Vantage Goldfields, which has two financially distressed mines and a processing plant near the Galaxy operation.

KILO GOLDMINES



Drilling at Kilo Goldmines' Somituri property in the Democratic Republic of Congo in 2010. Credit: Kilo Goldmines.

If you're interested in the high-risk, high-reward dynamic, look no further than Toronto-based Kilo Goldmines (TSXV: KGL; US-OTC: KOGMF). It's an exploration and resource development company with gold and iron ore prospects in the northeastern Democratic Republic of the Congo (DRC) and a non-participatory 20% interest in the Hajigak iron ore prospect in Afghanistan.

Kilo has been a trailblazer in the DRC's rich goldfields, and now has three drill-ready targets and a corporate goal to find 3 million oz. gold at a grade of 3 grams gold per tonne.

At its Somituri property package in the DRC's Ngayu greenstone belt, Kilo has its Adumbi, Kitenge and Manzako prospects, and a budget to spend US\$7.6 million on exploration to the end of 2017, including a \$3.4-million, 8,800-metre drill program.

Kilo's institutional shareholders include Resolute Mining, 14.6%; Osisko Mining, 13.32%; Weiser Asset Management, 5%; Mackenzie Financial, 3%; and Exploration Capital Partners, 4.4%.

MONTERO MINING AND EXPLORATION



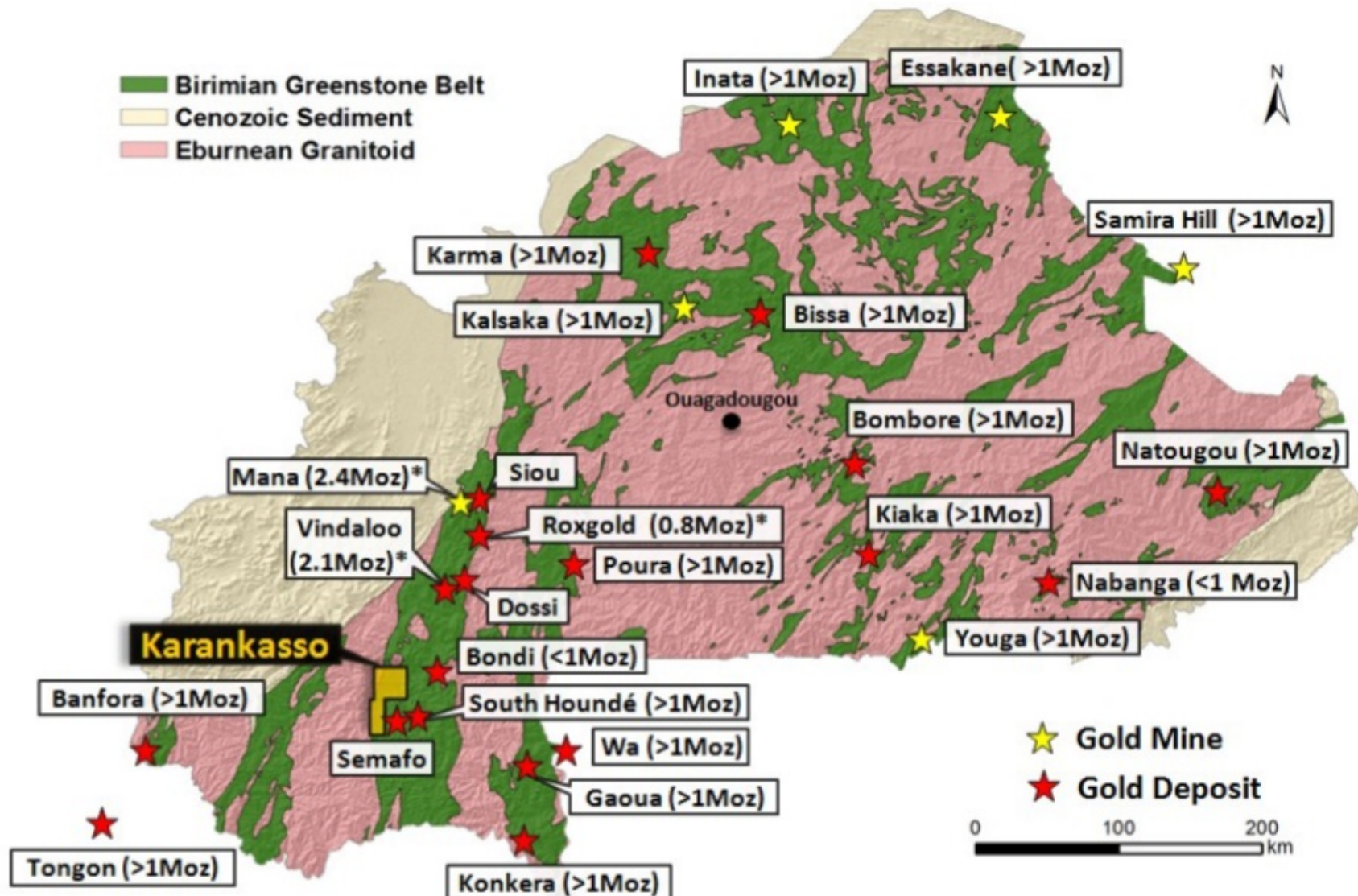
Montero Mining and Exploration's Wigu Hill light rare earth element project in Tanzania. Credit: Montero Mining and Exploration.

Vancouver-based Montero Mining and Exploration (TSXV: MON) is interested in mineral properties in Africa, and is focused on its Wigu Hill light rare earth element (REE) project in Tanzania and phosphate projects in South Africa.

Wigu Hill has a National Instrument 43-101-compliant resource of 3.3 million tonnes grading 2.6% LREO5, including a higher-grade portion of 510,000 tonnes averaging 4.4% LREO5 on a southeastern ridge area called Twiga-Tembo. The dominant REE mineral is bastnaesite.

Montero has a near-term goal of operating a small mine capable of producing a mineral concentrate to deliver 5,000 tonnes per year of mixed REEs and cerium oxide. The company would use the cash flow to fund wider exploration on the property, which it describes as "large, Molycorp look-alike carbonatite."

SAVARY GOLD



Location map for Savary Gold’s Karankasso gold project in Burkina Faso. Credit: Savary Gold.

Don Dudek-led Savary Gold (TSXV: SCA; US-OTC: SVVYF) is developing its Houndé South and Serakoro 1 gold properties in Burkina Faso along with its partner Sarama Resources (TSXV: SWA).

The properties cover 750 sq. km in an emerging gold camp 130 km southwest of Semafo's Mana gold mine and 60 km south of Endeavour Mining's Houndé project.

Savary's most advanced asset is its Karankasso project, where initial pit-constrained inferred resources are pegged at 9.2 million tonnes grading 2.28 grams gold per tonne for 671,000 contained oz. gold.

Karankasso is a joint venture between Savary (69.5%) and Sarama (30.5%), with Savary as operator.

Savary says all mineralized zones remain open at Karankasso, with modelled mineralized lenses extending beyond the pit constrained mineral resources at all zones, and that it has found more than 60 gold occurrences in the last two years along five regional, 15 km long gold mineralized systems.

Savary wrapped up a 9,500-metre, second-phase, 92-hole drill program in March and released results that include several gold-rich intercepts.

It embarked on a 125-hole, 8,000-metre, third-phase program in May.

TSODILO RESOURCES



Tsodilo Resources' BK16 DMS diamond treatment plant in Botswana. Credit: Tsodilo Resources.

Toronto-based junior Tsodilo Resources (TSXV: TSD; US-OTC: TSDRF) is on the hunt for diamonds in the southern part of the Angola-Congo Archean craton in northwest Botswana.

Tsodilo has a 100% stake in the BK16 kimberlite project in the Orapa kimberlite field in Botswana; a 100% stake in its Gcwihaba project area consisting of 21 base metal, precious metal, platinum group metal and rare earth element prospecting licences in the North-West district of Botswana; plus a 70% stake in Idada Trading 361, which holds a gold and silver exploration licence in South Africa's Barberton area.

Tsodilo describes its diamond-bearing BK16 kimberlite pipe as covering 6 hectares at surface, and being “known to contain rare and valuable Type IIa diamonds.”

The junior launched a pilot drill program at BK16 in February 2017 to achieve 50-metre grid hole spacing for the first phase of sampling via large-diameter drilling.

Tsodilo had planned to drill 14 such pilots totalling 3,100 metres.

In late May, Tsodilo was granted prospecting licence PL217/2016 in the Orapa Kimberlite Field in Botswana covering 580 square kilometres. It lies south of the Orapa and Damtshaa mines, west of the Letlhakane mine, 20 km from the BK16 pipe and near Lucara Diamond’s Karowe mine.

Tsodilo says there are several known kimberlite bodies next to the north and east of the licence block.

An exploration program has been designed to find new bodies.