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ACACIA MINING PLC - ACA Positive Results from Buzwagi processing trial
Released 07:00 22-Sep-2017

22 September 2017

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Acacia Mining plc

LSE:ACA

(“Acacia” or the “Company” or the “Group”)

Positive Results from Buzwagi Processing Trial

Acacia is pleased to announce positive results from the processing trial underway at Buzwagi that has been designed to maximise gold doré production from the mine.

Buzwagi currently produces both doré (gold bars) and a gold/copper concentrate (with over 90% of the value of the concentrate being gold). During 2017, gold/copper concentrate has accounted for approximately 65% of Buzwagi’s gold production. Since 3 March 2017, however, the mine has been unable to export and sell its concentrate, and as such has only been selling approximately 35% of its gold production, whilst incurring 100% of the cost of production.

The results of the processing trial to date have indicated that Buzwagi should be able to achieve gold recoveries of around 85% through the additional use of reagents in the leaching circuit at limited additional operating costs. All of the recovered gold will be produced in doré form. Buzwagi previously intended to end concentrate production in Q2 2018, but as a result of the trial the mine will solely produce doré from now until the end of its life in 2020.

There are no changes to group production or cost guidance resulting from this processing change, however it will result in Buzwagi being able to sell an additional 8,000-10,000 ounces per month for the remainder of the year. As such, Government royalties and local service levies (which are based on revenue) from Buzwagi are expected to more than double for the remainder of the year due to the increase in sales compared to the last 6 months. We believe that the changes will move the mine from a monthly cashflow negative position to a monthly cashflow positive position, strengthening Acacia’s balance sheet and helping to protect thousands of direct and indirect jobs that the Company supports.

ENQUIRIES

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About Acacia Mining plc

Acacia Mining plc (LSE:ACA) is Tanzania's largest gold miner and one of the largest producers of gold in Africa. We have three mines, all located in north-west Tanzania: Bulyanhulu, Buzwagi, and North Mara and a portfolio of exploration projects in Kenya, Burkina Faso and Mali.

Acacia is a UK public company headquartered in London. We are listed on the Main Market of the London Stock Exchange with a secondary listing on the Dar es Salaam Stock Exchange. Barrick Gold Corporation is our majority shareholder. Acacia reports in US dollars and in accordance with IFRS as adopted by the European Union, unless otherwise stated in this announcement.

Disclaimer and forward-looking statements

This announcement is for information purposes only and does not constitute an invitation or offer to underwrite, subscribe for or otherwise acquire or dispose of any securities of Acacia in any jurisdiction.

This announcement includes "forward-looking statements" that express or imply expectations of future events or results as opposed to historical facts. These statements include, financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future production, operations, costs, projects, and statements regarding future performance. Forward-looking statements are generally identified by the words "plans," "expects," "anticipates," "believes," "intends," "estimates" and other similar expressions.

All forward-looking statements involve a number of risks, uncertainties and other factors, many of which are beyond the control of Acacia, which could cause actual results and developments to differ materially from those expressed in, or implied by, the forward-looking statements contained herein. Factors that could cause or contribute to differences between the actual results, performance and achievements of Acacia include, but are not limited to, changes or developments in political, economic or business conditions or national or local legislation or regulation in countries in which Acacia conducts - or may in the future conduct - business, industry trends, competition, fluctuations in the spot and forward price of gold or certain other commodity prices (such as copper and diesel), currency fluctuations (including the US dollar, South African rand, Kenyan shilling and Tanzanian shilling exchange rates), Acacia's ability to successfully integrate acquisitions, Acacia's ability to recover its reserves or develop new reserves, including its ability to convert its resources into reserves and its mineral potential into resources or reserves, and to process its mineral reserves successfully and in a timely manner, Acacia's ability to complete land acquisitions required to support its mining activities, operational or technical difficulties which may occur in the context of mining activities, delays and technical challenges associated with the completion of projects, risk of trespass, theft and vandalism, changes in Acacia's business strategy and ongoing implementation of operational reviews, as well as risks and hazards associated with the business of mineral exploration, development, mining and production and risks and factors affecting the gold mining industry in general.

Although Acacia's management believes that the expectations reflected in such forward-looking statements are reasonable, Acacia cannot give assurances that such statements will prove to be correct. Accordingly, investors should not place reliance on forward-looking statements contained in this announcement. Any forward-looking statements in this announcement only reflect information available at the time of preparation. Save as required under the Market Abuse Regulation or otherwise as may be required under applicable law, Acacia explicitly disclaims any obligation or undertaking publicly to update or revise any forward-looking statements in this announcement, whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast or estimate and no statement made should be interpreted to mean that Acacia's profits or earnings per share for any future period will necessarily match or exceed its historical published profits

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