

Mkango Resources Ltd

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Mkango Resources surges as it announces exploration programme at Thambani

Shares in dual-listed Mkango Resources Ltd (LON:MKA, CVE:MKA) shot up in London as it announced plans to start exploration on its Thambani uranium project.

Following recent management site visits, Mkango plans to commence its 2017 exploration programme in the Thambani licence area, in Malawi, during the first quarter.

The decision follows the airborne geophysics survey last year that was funded by the World Bank.

- **Read Mkango identifies more rare earths targets in Malawi**

The programme will include further mapping, soil and rock chip sampling, trenching and ground 'truthing' of new geophysical anomalies.

Mkango said that searching for uranium (and associated tantalum and niobium) would be the main focus of the programme, but it would also evaluate the licence for its lithium potential.

Lithium is the hot mineral in mining circles these days because of the expectation of massively increased demand from battery makers.

The Thambani licence area is host to pegmatite occurrences, which can be a potential host rock for lithium. Furthermore, historical reports refer to an occurrence of a lithium mineral in the licence area, Mkango revealed; however, these need further geological investigation to determine the significance.

It is the rainy season at the moment in Malawi, so the programme will kick-off when that ends, which is usually late February or early March.

The exploration programme will be funded from existing cash resources.

"The market is clearly seeing renewed interest in uranium projects in recent months following moves by Kazakhstan to cut production and the increasingly apparent lack of supply for new reactors being brought online over the next five years in countries such as India and China," said Alexander Lemon, president of Mkango.

"Our strategy for the project remains to bring in a joint venture partner, but we believe that we will enhance value for our shareholders in the near term by pushing ahead with a clearly defined, low cost exploration programme following the end of the rainy season in Malawi," he added.

Shares in Mkango rose to 4p at one point in London, before ebbing to 3.58p, up 14.5% on the day.

Price: 8p

Market Cap: £6.71M

1 Year Share Price Graph



Share Information

Code: MKA

Listing: TSX-V

52 week High Low
12.84p 2p

Sector: Mining

Website: www.mkango.ca

Company Synopsis:

Mkango Resources Ltd. (TSX-V / AIM: MKA) is a Canadian dual TSX-V and AIM listed mineral exploration and development company focused on rare earth elements (REE) and associated minerals in the Republic of Malawi, a country whose hospitable people have earned it a reputation as "the warm heart of Africa".

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