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The Sale Of A Legacy Stake In Bugeco Will Provide Botswana Diamonds With Capital For Exploration



[Botswana Diamonds](#) is to sell its interest in Bugeco, a private Belgian company which held an interest in an exploration concession in the Democratic Republic of Congo.

Net proceeds will amount to approximately US\$340,000.

The money raised in the transaction is earmarked for investment in [Botswana Diamonds](#)' highly prospective diamond exploration asset in the Orapa area of Botswana.

Botswana's 35 per cent stake in Bugeco was acquired from African Diamonds at no cost when African Diamonds disappeared into Lucara a few years ago.

Bugeco has already sold its assets in a cash and paper deal to Toronto listed Kaizen Discovery Inc., and is now in the process of being liquidated by its shareholders.

As part of that process the Kaizen shares that Bugeco took in return for the transfer of the assets will be sold and the net proceeds of the liquidation returned to Bugeco shareholders.

[Botswana Diamonds](#) expects to receive in excess of US\$300,000 in respect of its interest in Bugeco.

That will be a useful contribution to work on the Orapa joint venture where the company is conducting exploration in joint venture with Russian diamond giant Alrosa.

On that note, the initial results from the Orapa exploration program have shown good potential for the discovery of new kimberlite pipes, particularly in the north of the project area.

A joint exploration task force, staffed by senior geologists from each company, completed an initial field program at the PL117 license area in Orapa in March and material collected in a heavy mineral sampling program was then shipped to the Alrosa laboratory in St. Petersburg, Russia, for mineralogical analysis.

The initial assays indicate that the material from PL117 is generally suited for the discovery of new kimberlite pipes, and two high priority drill targets have been identified on the property. Given the positive results, a larger sample has been collected and the results are pending.