

■ FIRE CREEK DRILLING

Nevada-focused Klondex Mines Ltd has drilled the first five holes of its 'phase 4' drilling programme to define better and extend the inferred resource (currently 0.5 Mt at 24.69 g/t Au) at its Fire Creek epithermal gold prospect near the Battle Mountain gold belt. Holes FC0510 and FC0511 were step-out holes, drilled 500 m north of the resource area. Significant results are tabulated below:

| Hole | From | Intercept | Au | Ag |
|-----------|--------|-----------|--------|-------|
| *step-out | (m) | (m) | (g/t) | (g/t) |
| FC0510* | 417.58 | 3.05 | 3.12 | 29.35 |
| FC0511* | 490.73 | 3.05 | 1.22 | 00.00 |
| FC0512 | 318.52 | 13.71 | 16.24 | 54.37 |
| FC0513 | 312.48 | 7.56 | 41.96 | 13.51 |
| incl | 312.48 | 1.46 | 192.38 | 28.44 |

■ DETOUR DRILLING

Trade Wind Ventures Inc continues to intersect gold mineralisation in the M zone of Detour Lake Block A in Ontario, optioned from Pelangio Mines Inc (MJ, September 8, p8). Highlights from five diamond-drill holes include:

| Hole | From | Intercept | Au |
|-----------|--------|-----------|--------|
| | (m) | (m) | (g/t) |
| TWDDH-078 | 97.800 | 2.73 | 4.59 |
| and | 186.00 | 5.15 | 13.46 |
| incl | 190.00 | 0.50 | 134.50 |
| TWDDH-084 | 368.90 | 10.72 | 3.74 |
| and | 376.20 | 2.80 | 9.35 |
| TWDDH-086 | 103.10 | 23.10 | 1.13 |

■ MOLEJON RESOURCE

Petaquilla Minerals Ltd has received a resource estimate for its Molejon gold deposit in Panama from SRK Consulting. Inferred resources are estimated at 11.2 Mt at an average grade of 2.48 g/t Au, using a cut-off grade of 0.5 g/t Au. Further mineralisation potential is considered to exist in surrounding areas and a drilling programme is planned to investigate new zones and to upgrade and verify the recent estimate.

■ TOMINGLEY INTERCEPTS

Perth-based Alkane Exploration Ltd has continued deep drilling at the Wyoming prospect, part of the Tomingley gold project in New South Wales, Australia (MJ, September 23, p7). The highlights below are from drilling that targeted the 'hangingwall' and 'contact' zones of the Wyoming One deposit.

| Hole | From | Intercept | Au |
|----------|------|-----------|-------|
| | (m) | (m) | (g/t) |
| WY 825 D | 317 | 13 | 3.61 |
| incl | 317 | 6 | 5.69 |
| WY 826 D | 471 | 7 | 9.24 |

Galore Creek potential grows

MJ-aug. 28/05

Chariot's new Marcona estimate

CHARIOT Resources Ltd has completed a new resource estimate for the Mina Justa copper deposit at its 70%-owned Marcona project in Peru (MJ, July 22, p10).

The estimate, set out in the table, was verified by Snowden Mining Industry Consultants Inc. The estimate is based on over 70,000 m of drilling, comprising about 30,000 m completed by the Rio Tinto group before Chariot and its partners, LG Nikko Copper Inc and Korea Resources Corp, acquired the project, and 40,000 m completed by Chariot during the past six months.

At the 0.2% total copper cut-off grade, the Mina Justa deposit is estimated to contain 2.6 Mt of copper, 50.5 Moz of silver (at an average grade of 3.83 g/t Ag), and 428,000 oz of gold (at an average grade of 0.03 g/t Au).

The JV partners agreed on a 'fast-track' development programme this year, the first part of which required a new resource estimate for the Mina Justa deposit, and the completion of a scoping study of various development options.

Alex Black, chairman of Chariot, says the scoping study is expected to be complete during the December 2005 quarter. Additional exploration is in progress at prospective targets within 15 km of Mina Justa.

| Category | Tonnage (Mt) | Total Cu (%) |
|--|--------------|--------------|
| Indicated | 132.4 | 0.74 |
| Inferred | 279.7 | 0.57 |
| (Using a cut-off grade of 0.2% total Cu) | | |

Allied boost Simberi and takes control

THE estimated gold reserve for Allied Gold Ltd's Simberi project (MJ, September 9, p7) in Papua New Guinea have been significantly increased, and the company has also gained full ownership of the project.

The new reserves are from the Sorowar pit, and boost the 2003 reserve estimate for the Simberi project from 5.19 Mt at 1.15 g/t Au for 192,000 oz Au, to 13.5 Mt at 1.42 g/t Au for 616,000 oz Au. The estimation was made for a new feasibility study due by the end of the month. The new reserve estimate follows resource estimates announced in June (MJ, June 17, p8).

Allied has also bought the remaining 12.5% interest in the Simberi project held by Simberi Gold Corp, for C\$200,000, 2 million Allied shares, 2 million options exercisable at C\$0.25 on or before December 31, 2006, and 2 million options exercisable on or before December 31, 2008.

| Reserve | Tonnage (Mt) | Grade (g/t) | Contained gold (oz) |
|-----------|--------------|-------------|---------------------|
| Indicated | 0.57 | 1.20 | 120,000 |

NOVAGOLD Resources Inc has received an updated study for development of the Galore Creek copper-gold-silver project in British Columbia from Hatch Ltd.

NovaGold is earning a 100% interest in Galore Creek from Anglo American plc and the Rio Tinto group. The study was to prefeasibility level, with the exception of a concentrate pipeline.

The study indicates the commercial viability of a conventional open-pit operation producing on average 300,000 oz/y of gold, 2.31 Moz/y of silver and 168,000 t/y of copper over the first six years of a 20-year mine life. Mine-life average annual production is estimated at 188,000 oz of gold, 2.02 Moz of silver and 134,000 t of copper.

The new study envisages a mine producing 65,000 t/d of ore, double that

of previous mine plans, for a capital cost estimated at US\$1.1 billion. The cost includes a owner-operated mining fleet, construction of a processing facility, and transportation and power infrastructure.

The company hopes to begin construction of the project during the middle of 2007, assuming the finalisation of project financing in late 2006 and the receipt of key construction permits early in 2007. The company notes that it has received community support from the Tahltan First Nation for its plans to develop Galore Creek.

The new study uses resource estimates produced earlier this year for four separate deposits (MJ, April 22, p8), but a new resource estimate is expected to be compiled during the first half of 2006, using data gathered from 60,000 m of drilling completed this year.

Kilo-Moto rethink

ANGLOGOLD Ashanti Ltd has agreed to renegotiate the terms of an exploration joint-venture with Okimo, the state mining company of the Democratic Republic of Congo. The JV is at the Kilo-Moto gold property in the northeast of DRC, at Mongbwalu (MJ, June 10, p2).

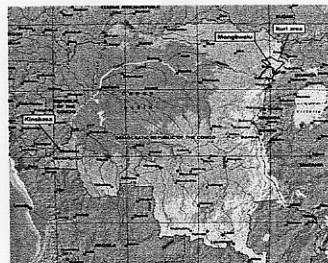
The head of Okimo, Victor Kasongo, says that the original deal gave Okimo a 51% interest in the JV, but capital injections since have diluted its stake to 13.6%. "There is an imbalance of interest", he said, "We need to restore some equilibrium".

Jaguar optimisation

JABIRU Metals Ltd has received the results of optimisation of a feasibility study of the development of its Jaguar polymetallic project in Western Australia (MJ, January 14, p8).

The optimisation has found that the reserve estimate is now 1.6 Mt at an average grade of 3.07% Cu, 11.73% Zn, 0.72% Pb and 120 g/t Ag (previously 1.6 Mt at 2.86% Cu, 11.23% Zn, 0.69% Pb and 114 g/t Ag), and capital costs have risen to A\$56 million, from A\$40.6 million.

The study also now includes an off-take agreement signed with the Golden Grove operation (MJ, April 29, p9), held at the time by Newmont Mining Corp, which has since agreed to



Location of Mongbwalu

Steve Lenahan, AngloGold Ashanti's spokesman in Johannesburg, says that the company has agreed to talk about the JV.

ZincOx's Jabali contract

ZINCOX Resources plc has signed an exploitation contract with the Geological Survey and Mineral Resources Board, representing the Government of Yemen, for the mining and processing of zinc at the Jabali deposit (MJ, June 17, p10).

ZincOx holds a 60% interest in the deposit, and completed a feasibility study earlier this year (MJ, March 18, p8) for its development. A mine processing 800,000 t/y of ore at a grade of 9.2% zinc over an 11-year life is estimated to cost US\$75.4 million.

The exploitation contract is subject to the approval of the Yemeni Cabinet and Parliament, and ratification by the President, following which it would be