



NSW grabs Cortona's attention

A new resource estimate for the company's North Monger gold project appears to be just the start of a busy 18 months for Cortona Resources Ltd as the company looks to test geological models on both sides of the continent.

The new resource at North Monger – 45km south-east of Kalgoorlie – came from drilling during 2007 on the Wombola Dam prospect and now sees the resource there stand at 861,000t @ 2.9 g/t for 80,300oz of gold.

Speaking to **Gold Mining Journal** after the resource increase, managing director Peter van der Borgh said although North Monger was still at the heart of the company, it was a suite of New South Wales gold projects, acquired from Moly Mine Ltd in July, which could prove to be company makers.

"New South Wales is the real game for Cortona now," van der Borgh said.

The acquisition included six gold projects but it is the Majors Creek project, 67km south-east of Canberra, which is the immediate focus.

Majors Creek – which has resources of 310,000oz – was one of the early gold finds of NSW and from 1851 produced 1.2 moz from alluvial mining. The primary source of the mineralisation was never found but Cortona is already focusing on the Dargues Reef prospect, in the south of the tenement block, as a likely source of the gold.

"When we first picked it up, that was what was particularly interesting. We are in a very high energy drainage environment. All the creeks run roughly north-south while the mineralisation is roughly oriented east-west. At the southern end (where the alluvial workings exist) the creeks are cutting through the granodiorite and the old-timers were able to find the lodes there."

The historical mining took place in the footwall position of a 30m-wide diorite dyke running through the granodiorite. Drilling in the 1980s targeted this position but van der Borgh said this programme was cut short when it passed 10m through the footwall and found nothing.

"In 2004, Moly Mines came in and drilled some deeper holes. These showed that the lode positions could occur 60m beneath the footwall contact."

This indicated the earlier drilling would have been largely ineffective and Cortona is now testing

this model with six holes designed to intersect the interpreted lode system at 150-200m depth.

"Our job is to test the model and also try and increase the density of the drilling to tie together some of the lodes. The challenge is to connect the lodes within the system."

The first three holes of the programme largely achieved this. Drill hole **DREX040** intercepted 13m @ 5.53 g/t and 12m @ 6.27 g/t gold; **DREX039** reported 9m @ 6.63 g/t and 4m @ 7.01 g/t gold and **DREX038** hit 16m @ 3.38 g/t and 4m @ 7.04 g/t gold.

"It was a very successful first phase of the drilling programme. These were great widths and grades and demonstrated the model and therefore opened the whole thing up to the east."

The next three holes were scheduled to be completed by Christmas.

"The real potential lies beyond Dargues Reef however. During the Moly drilling, the exploration team recognised the alteration associated with the mineralisation was magnetite destructive and as a consequence the geophysical targets were mag lows."

From one of these mag lows the Exeter Farm prospect was identified 2km north of Dargues Reef and a subsequent soil and rock chip sampling programme produced favourable results.

"There are at least three gossans sticking out of the ground and this is Dargues Reef style ore."

It will be to Exeter Farm that the drill rig moves once it is finished at Dargues Reef and van der Borgh is keen to test both the geochemical anomalies and a coincident IP anomaly.

"We are going to be testing the three outcropping gossans and two chargeable features in the first programme."

Fifteen holes are planned in the first phase to test the depth continuity of the features at Exeter Farm.

Cortona has inherited the 13,000-line km helimag survey from which Moly Mines identified Exeter Farm and the company has already moved on the next low-mag anomaly identified from the data, at Copper Ridge, 1.5km to the north-west of Dargues Reef. Here, rock chip sampling has already returned samples of 5.66 g/t and 4.07 g/t gold and up to 185 g/t silver.

"Over the next six months we also plan to start a regional exploration programme involving the targeting of some of the favourable structures in the wider 700sq km area with soil sampling and geochemistry."

Dominic Piper



A sample of the prizes on offer at Cortona Resources' Majors Creek gold project



Gold Mining Journal
01/02/2008
Page: 14
General News
Region: National Circulation: 4716
Type: Magazines Trade
Size: 408.12 sq.cms
Quarterly



Drilling at Dargues Reef, part of Cortona's Majors Creek project