

Old war horse to try its luck again

By Tania Winter

SYDNEY-BASED MORNING Star Gold NL is hoping to inject new life into its historic namesake operation at Woods Point in Victoria following a two year, \$9 million dewatering and shaft refurbishment program at the site.

With access now gained into the 9L of the mine at the 900 foot level of underground workings, the company intends to target the "gap zone" – an area containing 45 million tonnes of dyke material – and, hopefully, determine a JORC compliant resource.

A pre-JORC underground resource of 280,000 ounces already exists at the mine (above the 9L), but Morning Star director Nick Garling said the group was hoping to prove up a JORC compliant resource with more drilling over the coming months.

To this end, it has purchased two drill rigs, with one scheduled to undertake multiple shallow (250 metres) underground drill holes from level 9 into the gap zone.

"Our target at Morning Star is to uncover up to 4-5 million oz in resources within our current tenements," he said.

"We are drilling several 200m underground holes from the 9 level to the 15 level in an attempt to intersect historically typical repetitive quartz reefs bearing high grade gold."

Looking further afield, the company is currently undertaking mapping, surveying, sampling and deep diamond drilling of other known gold bearing dykes within its recently granted Woods Point mining licences adjacent to the Morning Star licence.

The field boasts a production history of plus 1.6 million oz that was produced between 1862-1963. Major mines in the field included Morning Star (883,000 oz), All Nations (132,000 oz), Loch Fyne (109,000 oz) and Comet (64,000 oz). An average mined grade of 26 grams/tonne



▲ A quartz vein with visible gold from the Morning Star mine.

was found in the quartz reef structures.

The new licences contain at least six known historically rich dykes that were mined to the water table for high returns of gold – some for more than 100,000 oz.

Garling said the company planned to drill into the dykes beyond their known workings to locate further repetitive quartz reef structures and measure the volume of each overall dyke to add to its initial resource model.

Several of these dykes are close enough to feasibly mine in conjunction with the Morning Star operation via a single decline.

The company will also conduct ongoing channel and reconnaissance sampling to map the overall mining potential and build the resource model while cross referencing with

historical WMC Resources records.

Assays reported in the fourth quarter of last year were of very high gold grades and the ultimate objective of the sampling program was to schedule the Morning Star bulk sampling program for the second half of this year.

Garling dismissed the analogy that Morning Star could face the same fate as Bendigo Mining.

"Although quartz reefs in this mine vary in thickness, we have proven they are high grade in gold content, and that this is a very different geological system to Bendigo," he said.

"The gold is contained within diorite dyke hosted quartz veins, where

Gold Minerals GAZETTE

June 2007 | Volume 6 Number 4 | Subscription only, published monthly

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▲ Morning Star has spent \$9 million refurbishing its historic namesake mine in Victoria.

Bendigo sits inside a deformed and discontinuous sedimentary rock system. "The Morning Star dyke has well defined continuous reefs with visible gold, which

have been identified and successfully drilled within the existing mine elevations, in contrast to the Bendigo model, which only anticipated a repetition of gold mineralisation at depth.

"The occurrence at Morning Star of iron rich dykes with thicker reefs can lead to bulk mining opportunities, which have been identified within the drill plan.

"However negative the Bendigo situation has been for Victorian gold miners overall, we're very encouraged by our progress at Woods Point

to date."

Results from channel sampling last year following the dewatering program helped renew investor interest in Morning

Star's stock.

Around 150, 3-5 kilogram samples, which averaged about 80 grams/tonne gold per sample, were reported.

"The good thing about this mine is that the deeper quartz reefs are tilted quite steeply which makes them a lot easier to mine from the gravity perspective," Garling said.

"Also, historically, greater than 95% of the gold was recovered through gravity circuit crushing (with over 85% free milling gold), which means very little treatment is required.

"We are presently undertaking metallurgical testing of our ore to ascertain the best current method of extraction."

As for growth, Garling said the company was looking at other commodities and was open to future diversification.

At the end of February, the company had cash on hand of \$2.75 million.



▲ Nick Garling

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