

Program on target despite wet weather

STAWELL

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NAVARRE Minerals' search for copper and gold is still on track despite its latest drill program being cut short due to wet weather.

In late June, the Stawell-based mineral exploration company commenced its second round of drilling at its Eclipse prospect, 60 kilometres south of Horsham. The drill program was targeting the shallowest of three targets detected at the prospect.

The first round of assay results has just been received and show broad intervals of copper and gold mineralisation occurring over a 400m long by 200m wide zone. The zone remains open to the south and at depth.

Managing Director, Geoff McDermott said originally the plan was to undertake a 25-30 drill hole program, however just 11 were completed before the weather turned.

"However, we learnt much from those eleven holes. We now know the copper zone is restricted by volcanic rocks to the east and west," he said.

"We think we are dealing with what geologists call a 'volcanic hosted massive sulphide' target, which formed when metals accumulated on the bottom of the ocean 500 million years ago and is now tipped up on its side."

During the company's January drill program, copper and gold was initially intersected just 30 metres below the surface forming an enriched copper blanket up to 30 metres thick averaging up to 0.4% copper. The new drilling has uncovered primary copper and gold mineralisation beneath this blanket extending beyond 150 metres depth.

"The drilling proved there are broad zones of copper and gold mineralisation at Eclipse. It is probable that this is the source of the copper within the enriched copper blanket which occurs at the water table," Mr McDermott said.

Although Mr McDermott said the scale of mineralisation and the metal (copper, gold, silver and zinc) as well as the alteration of the rock that geologists have seen in the drilling, is 'favourable'.

"We need to complete our studies to narrow our search to where higher grades of metal may exist. We've outlined sub-economic mineralisation, now it's up to us to use geological detective work to focus our efforts," he said.

The other two geophysical targets at Eclipse will also be drill tested for the first time during the coming summer. It is believed that one of these targets has a similar signature to that of a VMS. The other target is believed to have a porphyry copper signature and starts at more than 500 metres below the surface.

Despite the disappointment of the drill program being cut short, there is also an upside - it gives Mr McDermott and his team a chance to refine their interpretations and plan their next moves for deeper drilling.

Navarre Minerals also released its June quarter operating report on July 17. Apart from the latest drill results, the Company announced it had raised \$844,000 through a Share Placement to its largest shareholder, Crocodile Gold and by a Share Purchase Plan to existing shareholders. The funds will go towards advancing the company's exploration programs including Eclipse and Lexington, near Glenthompson.