



NEWS NUGGETS

Compiled by Shane Lasley



Peak Gold LLC has discovered new zones of skarn gold-copper mineralization at the Tetlin project near Tok, Alaska.

JV drills new zones of high-grade gold near Peak deposit at Tetlin

Contango ORE Inc. Nov. 16 posted results from 19 of 32 holes drilled during the second phase of 2015 exploration at the Tetlin project near Tok, Alaska. This exploration was carried out by Peak Gold, a limited liability joint venture company formed to further the exploration and development of the Tetlin project. Royal Gold Inc. has the option to earn up to a 40 percent interest economic interest in Peak Gold by investing up to US\$30 million prior to October 2018. "We are very pleased with the operations team at Peak Gold, managed by our joint venture partner Royal Alaska LLC, a wholly owned subsidiary of Royal Gold Inc.," said Contango ORE CEO Brad Juneau. "This new phase II drilling, in conjunction with our 2015 phase I drilling program, has confirmed the presence of a gold mineralization in previously untested zones up to 3.5 kilometers (2.2 miles) away from the Peak deposit." The 6,897 meters of drilling completed during the phase 2 program focused on two target areas – Peak West and North Peak-Blue Moon. Highlights from drilling at North Peak include: 1.92 meters of 70.9 grams per metric ton gold, 39 g/t silver and 0.015 percent copper in hole TET15165; 16.8 meters of 17.94 g/t gold, 4.2 g/t silver and 0.027 percent copper in hole TET15171; and 23.04 meters of 19.86 g/t gold, 4.2 g/t silver and 0.056 percent copper. Highlights from Peak West include: 5.54 meters of 22.08 g/t gold, 7.6 g/t silver and 0.11 percent copper, 6.25 meters of 6.45 g/t gold, 3.3 g/t silver and 0.126 percent copper, and 11.28 meters of 3.43 g/t gold, 2.8 g/t silver and 0.177 percent copper in hole TET15174; and 68.47 meters of 5.46 g/t gold, 0.4 g/t silver and 0.059 percent copper in TET15176. "Both of these new areas will require more drilling and analysis to define potential resource size," said Juneau. In total, 14,059 meters of drilling was completed in 61 holes during the second phase of 2015 exploration at Tetlin. "The total amount spent during the 2015 exploration effort in phases 1 and 2 is approximately US\$7 million, which is under budget as a result of more efficient operations combined with more drilling from common surface pads," the Contango ORE CEO added. "Peak Gold is working to develop an exploration model to help determine new targets for future drilling, and the relationship between the separate zones of mineralization discovered to date. The joint venture will combine new drilling and assay results with information gained from surface samples and proprietary ground and airborne magnetics and conductivity data to develop these future targets."

Promising copper-gold porphyry tapped at Shorty Creek project

Freegold Ventures Ltd. Nov. 16 reported that the results of the fall 2015 drill program on its Shorty Creek project

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Sumitomo Metal Mining Pogo continues to find new deposits of high-grade gold surrounding its Pogo Mine.

EXPLORATION

Pogo District heats up

Majors, juniors and prospectors position for exploring gold-rich area

By SHANE LASLEY
Mining News

As gold exploration cools globally, the search for the precious metal is once again heating up in the larger Pogo Mine region of Interior Alaska.

One of the reasons this region continues to be a hotbed of gold exploration is Sumitomo Metal Mining Pogo LLC's success in finding and expanding new deposits of high-grade gold on its Pogo Mine property, which anchors the Goodpaster Mining District.

Another dozen promising prospects found beyond the borders of the Pogo Mine claims add to the intrigue of an area that stretches for some 70 miles along the Alaska Highway southeast of Fairbanks.

Over the past year, global miners, junior explorers and prospectors have expanded known deposits, discovered new ones, consolidated land positions and assembled geological data – all in the search for another Pogo or Fort Knox mine in this gold-rich region of the Interior.

Replenishing Pogo

Sumitomo Metal Mining Pogo – a partnership between Sumitomo Metal Mining Company (85 percent) and Sumitomo Corp. (15 percent) – invested roughly US\$15 million on exploration in the immediate Pogo Mine area during 2015, making this the largest exploration program in Alaska this year.

Pogo General Manager Chris Kennedy told those attending the Alaska Miners Association Fall Convention in Anchorage that the exploration targeted nine areas "under our headframe" at Pogo.

While the high-grade underground gold mine does not sport a headframe in the classical sense of the term, the mill facilities do happen to be positioned on an island at the vertex of three high-grade gold deposits – Liese, North Zone and East

"Sumitomo Metal Mining is seeking a partner for the Stone Boy project."
–Yuki Beppu, project geologist, Sumitomo Metal Mining America

Deep.

Pogo began operation in 2006 by mining Liese, a zone immediately west of the mill.

In 2010, SMM Pogo discovered East Deep, a twin to Liese that lies immediately east of the mill.

Geological and metallurgical evidence indicates that the Liese and East Deep zones were once a single body of gold-rich mineralization split by a wedge of gold-barren igneous rock (diorite) on which the mill now sits.

The discovery of East Deep – a deposit that is geologically and geochemically similar to the orebody on which Pogo was founded – has been a boon for the Interior Alaska mine.

SMM Pogo began developing East Deep in 2012 and has mined more than 731,000 tons out of the deposit since 2013. It was not until this year, however, that infrastructure was established to the point that the company considered development complete.

North Zone, a group of higher grade vertical veins to the north of the mill, likely served as a conduit to deliver gold mineralized fluids to the flat-lying Liese and East Deep zones.

This year SMM Pogo had nine drills focused on the discovery and expansion of targets surrounding the mill, including the northern end of the East Deep deposit, North Zone and Pogo South, a southerly expansion of the Liese zone.

Kennedy said this work included some 219,500 feet of exploration drilling – 174,000 feet from surface and 45,500 feet underground – and about 103,000 feet of definition drilling.

Ultimately, the goal is to replenish the gold mined out of reserves at Pogo this year.

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