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Focus Minerals Is Following In The Footsteps Of An Illustrious Predecessor With Its Work At Treasure Island

By Our Man In Oz

Not many investors react well to assay results reported in parts per billion. Not only does the conversion to a percentage involve too many noughts for comfort, but the thought of converting that again to grams per tonne is enough to cause a reasonable man to call for a stiff drink.

That's one reason why the latest report from [Focus Minerals](#) on its exploration in a dry salt lake south of Kambalda, on a prospect optimistically called Treasure Island, was greeted with a yawn, and a modest decline in the company's share price. And that in turn serves as a reminder that most participants in the market are blissfully ignorant of grass roots exploration techniques.

In response, what Focus might think about doing sometime soon is taking its shareholders for a trip back in time - to the era when one of Australia's most successful explorers was unlocking the secrets of the salt lakes that blanket parts of the region known as the Eastern Goldfields. Faced with only a few rocky surface outcrops in a landscape as dazzlingly-white as a snowfield in Siberia, or a few UK towns last week, geologists from Western Mining Corporation were forced to develop entirely new techniques to peer beneath the layers of salt, gypsum and gravels which make up the dry lakes. Only then could get down to the bedrock and start the serious hunt for gold-bearing systems.

A key tool in WMC's armoury was the simple technique known as air-core drilling, a quick and relatively simple way of extracting rock chip samples, or cuttings, especially from weathered terrains. It is not of much use in fresh rock. But it was the use of air-core rigs which first put WMC on the scent of gold deposits under Lake Lefroy and which eventually led to the development of some of Australia's richest gold mines, including the cluster of mines around St Ives. "Air-core drilling for geochemical and regolith data is currently the main exploration tool used in areas covered by transported overburden," wrote a team of WMC geologists more than 20 years ago, in a technical paper titled: "WMC resources exploration success in lake terrains".

What worked then for WMC appears to be working today for Focus, though most potential investors will probably only recognise what's happening when drilling gets serious and deep

diamond-drill cores are extracted from the targets that are being identified by the early air-core work. Which is going quite well. The most recent air-core drilling results appear to reveal that the second of two established gold-bearing structures can now be traced over an eye-catching four kilometres. The man in charge of the exploration, Dean Goodwin, said in a statement released by Focus that the air-core work had enabled his team to identify the “supergene zone hot spots” that point to the potential primary ore zone beneath the lake sediments.

“What we are starting to see as we map these is not only a significant increase in the length of the gold system, but also evidence of a lot of structural complexity which is similar to what you see at St Ives”, Dean said. “Complexity is the key to finding substantial gold deposits.” He said that since the release of preliminary air-core results last November a further 12 holes had returned composite samples of greater than 50 parts per billion. “This shows a strong signature as to the existence of the gold-bearing structures beneath the lake”, Dean said. “We’re excited by the potential.”

Excited the geologists might be. Less so are investors, who do not have the advantage of being able to see the salt lakes and picture the process that is occurring. If they could, and were able to tie the work on and around Treasure Island in with what WMC did decades earlier, they might understand that a process is underway that could eventually lead to a significant gold discovery. After all, this exploration area is directly along strike from the goldfields to the south of Kambalda and St Ives.

The line on the aerial photo certainly looks enticing, as it traces the great north/south fractures that run from Kalgoorlie down to Norseman. But more important is the role Dean has played in discoveries near to where he is working today for Focus. Notches on his belt include the Redoubtable, Santa Anna, and Intrepid gold deposits on Lake Lefroy, some 35 kilometres north of Treasure Island in Lake Cowan.

And it’s worth noting that Redoubtable was discovered after air-core drilling returned a four metre composite assay at 153 parts per billion. Among the better air-core results released last November after drilling by Focus at Treasure Island was seven metres at 518 parts per billion from a depth of 32 metres, and 12 metres at 229 parts per cent billion from eight metres.

From a geologist’s perspective the Treasure Island work is following a pattern seen at earlier discoveries, and while it does not mean that Treasure Island will become another St Ives, the potential for a significant discovery gets better with each stage of the exploration process. From an investor’s perspective the challenge is to brush up on the stages of work that Focus will now undertake, keeping a close eye on the current programme of infill air-core drilling which started last month on an 80 metre by 40 metre spacing. This is expected to produce multiple targets for the next big step, diamond drilling, which should produce the cores to show mineralisation in fresh rock beneath the lake bed. Watch this space.