

## MEDIA COVERAGE



### Gold action in PNG

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GLOBAL major Barrick Gold has teamed up with a little known junior to expand its gold exploration in Papua New Guinea.

The news made scant impact this morning in market terms - but then, last Thursday, stock in Sierra Mining had risen 13.2 per cent on no news, and then fell 9.2 per cent on Monday (again on no news).

Barrick has done a deal to earn an 80 per cent interest in Sierra's Salumei and Magarava projects. Salumei is located in East Sepik province while Magarava is situation in rugged hinterland in Milne Bay province and has been the scene of artisanal alluvial mining.

However, the key to Barrick's involvement may be one of the directors of Sierra Mining, Peter Macnab. Sierra last year put PNG on the backburner while it concentrated on its Philippines. Sierra, which is one of the group of explorers headed by well known Perth mine investor Ian Middlmas, includes on its board Mr Macnab who worked for Australia's Bureau of Mineral Resources in the years before PNG independence and did much of the exploratory mapping of the territory. Subsequently, as principle geologist for Kennecott New Guinea, Mr Macnab was involved in the discovery of Lihir. He is regarded as one of the most knowledgeable people on the subject of PNG mineralisation and now lives at Buka, the administrative centre for Bougainville.

Barrick's main involvement in PNG has been as a partner in the Porgera gold mine joint venture, although it has also been assessing projects owned by **Coppermoly**.

PNG has seen increasing interest in recent years from explorers, both big and small. Newcrest Mining has its 50/50 joint venture at Hidden Valley with South Africa's Harmony Gold and also recently took a 60 per cent stake in a gold project on Manus Island.

In other PNG gold news today, Frontier Resources announced the completion of aeromagnetic surveying of the Bulago joint venture in Southern Highlands province. Not especially significant news in itself; rather, it is the potential of this ground that looks exciting given that trench sampling produced such assays as 27m at 66.8 grams/tonne gold, 7m at 67g/t plus - and this is a big plus - one sample that returned 5.59g/t gold, 2555g/t silver, 2.17 per cent copper and 3.16 per cent zinc.