



Island's mineralisation throws up a few surprises as explorer tackles its geology

Persistent drilling and new geophysical theories are yielding strong results for base metals-focused Coppermoly Ltd at its flagship Mt Nakru project in Papua New Guinea.

Last month the junior announced a significant extension to Nakru 1, with drilling from two holes showing a continuous 500 metre strike length of copper-gold mineralisation.

This work added to the expanded mineralisation to the east and south which was established through earlier field work.

Located in the southern region of New Britain Island in PNG, Mt Nakru comprises four known copper breccia systems and is the first project found on the island containing this style of mineralisation.

Company managing director Peter Swiridiuk said the success of the continued drilling – and geophysics applications such as induced polarisation (IP) – would mean further advancement of existing projects and additional discoveries.

Compelling numbers

Originally, he explained, it was thought the mineralisation might be related to a porphyry-type body, whereas at Nakru the material was fractured and brecciated.

"It has brought in a lot of the copper and iron sulphides, so in that respect it's a new kind of mineralisation that's been found on the island and it just so happens that these styles are host to much higher copper grades than what's been found in other porphyry systems known on the island," Swiridiuk said.

"Our Simuku porphyry system to the north has a maiden inferred resource of 200 million tonnes grading 0.36% copper



Drilling continues at Nakru.

and is only a one hour drive from an operating deepwater port.

"There were historical holes put down at Nakru-1 looking for gold from geochemical results in bulldozer trenches.

"We then did some geophysics which showed that all the historical copper intersections that had been drilled at depth seemed related to a portion of the largely untested geophysical anomaly.

"The main part of the anomaly was totally untested, but there were all these drill holes around it because the copper had been leached from the surface.

"So when Barrick (Gold Corporation) came and looked at the anomaly and at the surface, they put down several holes testing the centre of the anomaly."

Drilling on the project is being run by Barrick (via subsidiary PNG Exploration Ltd), with the former able to earn 72% once it spends \$20 million on exploration.

Nakru 1 has been shown to be a major mineralised system, picking up intercepts of up to 0.92% copper and 0.33 grams/t gold. Swiridiuk said the work undertaken on this breccia meant it was close to maiden resource status.

"Barrick has just completed a review this month relating to where they want to drill, and they want to continue on with a similar exploration program as last year to find the tonnage potential of the deposits at Mt Nakru," he explained.

"These styles of ore bodies often appear as clusters.

"There'll be another year of exploration drilling, but Nakru-1 is almost at the stage where there could be a maiden



The junior has some prospective holdings on PNG's New Britain Island.

inferred resource ... and then, if they get the tonnage potential they expect from nearby systems, the year after this we'll start looking at Barrick earning the 72% and forming a joint venture."

Strong indicator

The fact that such a large player was spending big at Mt Nakru – with \$9 million being dished out in the first year – was a good sign of its resource strength, according to Swiridiuk.

"Being the largest gold mining company in the world, they're after large tonnage targets, and we know that at Nakru there are several deposits that are likely go through feasibility," he added.

"It's an advantage to us because they could walk away and leave us with a project that has significant tonnage and value.

"Conversely, if they do stay in the agreement and go ahead with a JV deal, our shareholders will retain a large percentage of a project that Barrick will want to develop into a mine."

Caroline Smith



Peter Swiridiuk on site