

Rover has a new tale

By Michael Quinn, 2-8 June 2008



Drilling at Rover near Tennant Creek.

IF THERE was a competition for the best gold exploration hits in Australia in recent years, Westgold Resources' effort of early June at its Rover 1 project, south-west of Tennant Creek in the Northern Territory, would figure prominently.

Nearly 66m grading 17.7gpt gold equivalent (copper, cobalt, bismuth and silver in the mix) was recorded, including 11m at 18.3gpt gold and 15.75m at 29.4gpt gold. Better copper intervals in the hole included 45m at 0.99% copper and 17m at 1.93% copper, while in these heady days of iron ore, 106m

grading 44.2% iron within the mineralised ironstones was also noteworthy.

Rover 1 has previously been said by Westgold to have "many characteristics similar to the large high-grade Warrego mine at Tennant Creek (that) produced over 1.3 million ounces of gold and 90,000t of copper".

While the hole drilled by Westgold was confirmatory in nature, company managing director Andy Beckwith maintained it was still an outstanding result.

"What we're confirming is drilling from 30 years ago, and that drilling did have some pretty significant intercepts itself," Beckwith said. "I think that what's so exciting about this one is ... it's probably better quality core and assay, and significantly larger intercepts, and, probably at this stage, better grades."

The market agreed, with the stock climbing strongly in the days following the announcement last week (having started the week at 25c it subsequently more than doubled before closing at 48c).

Beckwith pointed out that the hole ended in mineralisation – due to equipment problems – and that another hole recently completed was targeting to further extend the mineralisation.

“We’ve just finished one slightly out to the east,” he said. “We tried to do a wedge (but) it hasn’t gone quite as far (out to the east) as we would have liked, but it’s still going to add to the story, and hopefully extend the current intercept ... 15-20m further to the east.”

As everywhere, assay turnaround is very slow, with Beckwith hopeful of releasing a swag of results in the June quarterly report. “We’re not going to report hole by hole unless they are outstanding results beyond what we are already getting. It’s making sense of the holes as well,” he said.

The limited exploration undertaken previously by Peko at Rover 1 was the result of disagreement between the local indigenous people and the company. Work stopped in 1982. However, agreement between Westgold and the indigenous people was reached late last year.

“We’ve made giant steps in that regard,” Beckwith said. “We talk to them and get a feeling for what their issues are and see how we can work it out. And we’ve been able to do that and now we can drill it again. So hopefully over time we’ll be able to put a resource together and move forward. They’ve been more than supportive, extremely supportive over the past two years work about what we’re doing here at Rover 1 – completely different to what we’d heard.”

