

Glass Earth's first Taupo volcanic drill identifies large gold mineralised system

17 August 2006 - Wellington-based gold exploration company Glass Earth Ltd's first exploratory drill hole on the volcanic region of the North Island has discovered a broad zone of anomalous gold in a major new epithermal system, the company says in a release to the Toronto Stock Exchange.

While no economic gold was intersected in this drill hole, Glass Earth says it offered significant scope and encouragement for further exploration of this target.

The first drill hole testing the Tahunaatara anomaly intersected a broad zone of significant hydrothermal alteration indicative of a large epithermal gold system, the release says.

The drill hole intersected over 70 metres true width, a zone of intense hydrothermal alteration consisting of adularia-illite-smectite-quartz-chalcedony that hosts pyrite, arsenopyrite and minor gold-silver mineralisation. The hole ended in intense adularia-illite-smectite clay alteration at 357.2 metres.

The Tahunaatara target is approximately halfway between Taupo and Rotorua in Exploration Permit 40770. The hole was drilled to provide stratigraphic targeting information of the most promising of the 14 targets so far defined.

Tahunaatara was initially defined as a result of the interpretation of Glass Earth's ultra-detailed airborne magnetics and airborne gravity surveys in the Coromandel/Central Volcanic Region. A distinguishing feature of this target was the coincidence of a magnetic low, gravity high, resistivity highs and traces of gold in soils.

Follow up ground resistivity and soil gold geochemistry surveys completed by Glass Earth over the Tahunaatara target outlined a coincident geophysical and geochemical anomaly with approximate dimensions of 2.2 km x 0.7km. The drill aimed to determine the cause of the observed geophysical and geochemical anomalies in advance of more detailed ground geophysics and reconnaissance drilling.

Glass Earth says it plans further drilling and resistivity work while a second target started drilling in July at the Humphrey's Road drill target, approximately 2km away from Tahunaatara.

The Humphrey's Road target has also been defined by a combination of ground resistivity and geochemical surveys over a target area that resulted from the interpretation of Glass Earth's airborne magnetics and gravity surveys.

Source: Stock Exchange release.