



Boost to gold search

THE company planning to resurrect mining at Kingsgate east of Glen Innes is ramping up exploration work in the Glen Elgin region for gold as prices continue to rise for the precious metal.

In times of economic uncertainty gold is often considered a safe haven, and earlier this month gold reached US\$930/ounce, with some predictions it may rise to \$US1000.

Auzex Resources is increasing gold exploration in two sites in the Glen Elgin region north-west of Glen Innes, as well as in north Queensland and New Zealand in anticipation of continuing strong demand.

“Gold is a commodity in a bull market, and it is a commodity in which Auzex has considerable corporate and operational expertise,” said Auzex Executive Chairman John Lawton. Mr Lawton is a former executive director of Ross Mining, which in the late 1990s operated an open cut gold mine in the Timbarra area east of Tenterfield.

Auzex’s targets in the Glen area include the Seven Hills and Klondyke gold prospects. The Klondyke site, about 53km north-east of Glen Innes, is on the site of an old gold mine which operated until the late 19th century.

“Recent geological mapping

has confirmed the presence at Klondyke of key geological criteria commonly associated with granite-hosted gold deposits,” Mr Lawton said.

“As Australia moves closer to the recession that other major economies have fallen into, the likelihood is that gold will prove even more appealing.”

The main project of the company remains the development of the Kingsgate mine, east of Glen Innes. The company has forecasted it will generate generate \$445 million during its first five years, recovering high-quality silica, molybdenum and bismuth.

TIM HUGHES