

Highlights from Augen Gold's Initial NI 43-101-Compliant Mineral Resource Estimate for the Jerome Mine Project

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TORONTO, ONTARIO -- (Marketwire - July 18, 2011) - [Augen Gold Corp.](#) (the "Company", or "Augen Gold") (TSX VENTURE: GLD) retained Burt Consulting Services ("BCS") to complete an initial NI 43-101-compliant Mineral Resource estimate at the Company's Jerome Mine Project, the highlights of which are outlined below. The Jerome Mine Project comprises 13.21 km² of Augen Gold's 100%-owned 237.9 km² in the South Swayze Greenstone Belt between Timmins and Sudbury.

"To summarize the most pertinent findings, our 43-101 compliant Mineral Resource estimate shows that in the Jerome Mine Project area alone we have an inferred resource of 1.03 million ounces contained gold at a cutoff grade of 0.3 grams per tonne ("g/t") gold," said J. David Mason, President and CEO of Augen Gold Corp. "We are pleased that the milestone of a Jerome Mine Project independent NI 43-101-compliant resource estimate has been reached and that at least one million ounces of Inferred Resources are now well-defined. This provides concrete validation of the underlying value of this property. We will continue with confidence to build on this resource by completing additional drilling as well as potentially defining further resources this year on the North Shore area four kilometres to the northeast of the Jerome Mine Project."

SUMMARY

The Mineral Resource estimate is reported in Table 1 at a cutoff grade of 0.3 g/t Au. The effective date of this resource estimate is July 1, 2011. Inferred Mineral Resources are 18.7 million tonnes averaging 1.7 g/t for 1.03 million oz contained Au to a vertical depth of 300m. A NI 43-101-compliant technical report in connection with the Mineral Resource and prepared by BCS will be filed on SEDAR within 45 days of the date hereof. Table 1 shows the Mineral Resource at the 0.30 g/t cutoff grade broken into constrained and unconstrained categories and at several higher cutoff grades for comparison.

TABLE 1 MINERAL RESOURCE ESTIMATE

Effective July 1, 2011

Augen Gold Corporation – Jerome Mine Project

Classification	Cutoff Grade (g/t Au)	Tonnes (millions)	Average
Inferred Total	0.3	1.7	1,030
Main & South Zones (constrained)	0.3	14.2	1.8
Other Zones (unconstrained)	0.3	4.6	1.3
Inferred Total	0.5	2.1	977
Inferred Total	0.7	2.4	927
Inferred Total	1.0	2.9	853

Notes:

1. CIM Definition Standards were followed for Mineral Resources.
2. Mineral Resources are estimated at a pit discard cutoff grade of 0.3 g/t Au.
3. Mineral Resources are estimated using a gold price of US\$1,400 per ounce.
4. High assays are cut to 30 g/t Au.
5. Bulk density of 2.8 t/m³ was used.
6. Numbers may not add due to rounding.
7. Total of constrained and unconstrained blocks.

REASONABLE PROSPECTS FOR ECONOMIC EXTRACTION

In order to comply with the CIM Definition Standards requirement that a Mineral Resource has reasonable prospects for economic extraction, both 0.3g/t Au assay shell and pit configurations from similar deposits

were used to constrain the resource estimate. Gold mineralization at similar grades exists lateral to and below the current constraints but at this time the drilling is not close enough spaced to be considered to meet the requirements to be included in the resource.

NARRATIVE OF CURRENT ESTIMATES VS PREVIOUS ESTIMATES

The Inferred Mineral Resource is a substantial increase from the 0.5 million tonnes at 7 g/t Au or 110,000 ounces (Possible & Probable) estimated by Muscocho, 1989 (Lakefield Research, 1989 Recovery of gold from Jerome Project samples for Muscocho Explorations). The historical Muscocho estimate was prepared using 30m long section polygons, a cutoff grade of 4.5g/t Au, a specific gravity of 2.6 g/cc, was un-cut and un-diluted. While conforming to Association of Professional Engineers of Ontario (APEO) and National Policy 2a, this historical resource does not conform to the current CIM classifications. Ore blocks were constrained to the old mine workings and did not include a 30 m crown pillar.

A Qualified Person, as defined in NI 43-101, has not done sufficient work to classify the historical estimate referenced herein as a current Mineral Resource. The Company is not treating the historical resource referenced herein as a current Mineral Resource. The historical estimate, while indicative of the presence of mineralization, is not compliant with the CIM classifications and should not be relied upon.

ADDITIONAL OPPORTUNITIES

In addition to the NI 43-101-compliant Mineral Resource disclosed herein, BCS estimates that using a low-grade, open pit scenario for further drilling in and around the mine workings the resource at the Jerome Mine Project could potentially be both increased and the category be advanced to Indicated. These opportunities are conceptual in nature and it is uncertain if further exploration will result in targets being delineated as an updated Mineral Resource.

DATABASE

Augen Gold drilled 33 core holes totaling 4375 m in 2010. These were drilled in the eastern portion of the deposit with an average grid spacing of 25m. The NI 43-101-compliant resource estimate used the results from the Augen Gold 2008 and 2010 drill holes as well as 917 surface (average 25m spacing) and underground core holes (average 10m spacing) drilled by previous property holders, results of previous underground 2m spaced chip/channel sampling by Jerome Gold Mines and assays from 15 surface trenches. While much of the historical data is not directly verifiable (lack of assay certificates, no QA/QC information, unknown analytical techniques) BCS believes that the quality of the data coupled with the twinning of several holes by Augen Gold is sufficient to indicate the presence of gold mineralization and provide an Inferred Resource. The current drill core is stored on a secured area on the Jerome Mine property, in Osway Township, near Gogama, Ontario.

BCS composited the drill hole and channel sampling assays into 1m composites, non-assayed intervals were given a zero value. A capping level of 30 g/t Au was selected based on statistical analysis of the composited data. An inverse distance squared algorithm was used to interpolate gold grades into 5m(x) by 2.5m(y) by 5m(z) blocks with the long axes aligned vertically and grid east-west horizontally to approximately follow the trend of the known mineralization. A 50m by 5m by 50m search ellipsoid oriented in the same direction as the blocks was used to weight average a minimum of three and a maximum of 9 composited samples. Only those blocks below the overburden and outside of the mined area were considered in the Mineral Resource estimation. The Mineral Resource was further constrained by a 0.3g/t Au assay shell around the two main zones (Main and South Zones) to provide two estimates, one within the main zones (constrained) and one that includes the lesser explored, subsidiary mineralization (unconstrained).

CONSULTANT'S RECOMMENDATIONS

BCS recommends that further in-fill drilling be carried out in the area immediately west of the mine workings where, due to lack of data support, the historical drill results could not be used in the estimate. Re-examination and possibly fill-in sampling of available core using current analytical techniques would serve to assess the low-grade potential outside of the obvious quartz vein zones. BCS further recommends a Preliminary Assessment be carried out to assess the potential economics of mining the Jerome Mine Project deposit by open pit.

MANAGEMENT'S PLANS

The Company plans to have up to three diamond drills on the North Shore this year and is currently defining two zones of up to 1.8 km each. In light of the results of the NI 43-101-compliant Mineral Resource, further drilling will be completed at the Jerome Mine Project area. In addition, additional geophysical induced polarization and soil gas hydrocarbon surveys will be completed throughout several key prospective areas within this 45 km-long property.

QP SIGN-OFF

The Mineral Resource estimate for the Jerome Mine Property has been prepared by Philip Burt, MET, B.Sc., P.Geol., and Patrick Chance, M.Sc., P.Eng., Geological Engineer, each being an independent Qualified Person under the definitions established by NI 43-101, and each having reviewed and approved the contents of this release.

About Augen Gold

Augen Gold is a gold exploration company with 23,685 hectares of staked and patented mining claims in the Southern Swayze Greenstone Belt, including the formerly producing Jerome Gold Mine. The claims cover a 45-kilometre long section of the Ridout Deformation Zone, believed to be the western extension of the Kirkland Lake/Larder Lake Break. The geological setting is comparable to the major gold camps of Timmins and Kirkland Lake, and the claims contain numerous gold showings that have received very little historical exploration. Augen Gold is the first company to have assembled such a coherent ground position. Augen Gold has performed a detailed airborne geophysical survey over the whole area. The correlation of many gold showings with geophysical features indicates excellent potential for the discovery of additional deposits. The Company's objectives are to aggressively explore the gold showings that correlate with geophysical anomalies, continue resource definition at the Jerome Mine, and to expand its property portfolio with highly prospective mineral assets.

For further information on the Jerome Mine Property, please refer to the Company's NI 43-101-compliant technical report entitled "Technical Report on the Jerome Mine Property" dated July 27, 2007, and available on www.sedar.com.

For more information on the South Swayze Project, please also refer to the Company's NI 43-101-compliant technical report "Amended and Restated Technical Report on the Augen Gold Corp. Claims, Porcupine Mining Division, District of Sudbury, Ontario, Canada" (effective April 8, 2008, available on the Company's profile at www.sedar.com along with the Company's other relevant documents).

For more information on Augen Gold, visit our website at www.augengold.ca. Read our blog at www.augengold.wordpress.com, and follow us on [#augengoldcorp](http://www.twitter.com).

This news release contains forward-looking statements. These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, project development, reclamation and capital costs of the Company's mineral properties, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the activities of the Company; and other matters discussed in this news release. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

Shares outstanding: 127,711,347

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