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Karangahake Gold Project, Waihi District, New Zealand

Interpretation of the most recent exploration results from the Karangahake Project has been completed.

(a) Rahu Ridge - White Rocks Zone

Surface and underground mapping has shown extensive hydrothermal alteration, consistent with the 2km long White Rocks – Rahu Ridge target zone representing the near surface feature of a significant epithermal system.

Pervasive kaolinite alteration, chalcedonic quartz veining replacing calcite, and hydrothermal brecciation support this view.

Channel sampling of White Rocks adit N° 5 returned gold grades ranging from 0.14 to 0.79 g/t over 44 metres, accompanied by anomalous arsenic.

The Rahu Ridge – White Rocks Zone is believed to be the northern extension of the Karangahake vein systems, with excellent potential for significant gold mineralisation at moderate depth.

(b) Taukani Hill

Geological mapping has confirmed that Taukani Hill contains the northern extensions of the Maria, Woodstock, Welcome and Crown vein zones and associated veins, notably the Buck Reef. These vein zones are 50 to 160 metres wide and can be traced for 1000 metres.

Highlights from sampling included a 4 metre continuous chip sample across the Buck Reef that assayed 12.0 g/t Au, 34.3 g/t Ag and two surface float samples from near the Crown North mine that returned 18.5 and 29.6 g/t Au.

(c) Maria – Welcome Veins Southern Extensions

The veins were investigated along strike, south of the Talisman mine N° 8 level and near the Karangahake trig.

An extensive zone of hydrothermal alteration with silicification and quartz veining was mapped. A 2 metre channel sample of colloform banded quartz on the Talisman mine N° 7 level access track returned 3.59 g/t Au and 36 g/t Ag.

Interpretation of reprocessed Karangahake geophysical survey data is well advanced.

Digitising and 3D computer modelling of extensive mine and exploration data gathered by Heritage at Karangahake has commenced, with the aim of developing drill targets to test the mineralised zones.

Disclosure: Relevant sections in the above statement are based on information compiled by a corporate member of The Australasian Institute of Mining and Metallurgy with over five years relevant experience.



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Fig 1. Map taken from Heritage Gold NZ Ltd Annual Report 2002, showing the location of Karangahake

