

## Looking for gold in new places

EVERY so often, as one flicks through the drill hole diagrams on exploration companies' (usually predictable) presentations, an interesting slide flashes on the screen.



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Such was the case this week with a powerpoint presentation from Koonenberry Gold (market cap A\$4 million). It raised a very important issue: greenfield versus brownfield.

But, first, some background.

Koonenberry Gold's project lies on the "historically unexplored frontier" of the Koonenberry Belt in the remote northwest of New South Wales, 160km northeast of Broken Hill and south of Tibooburra. When the company listed in 2021 (after having already spent \$6 million drill-testing the 2060sq.km project area), there were two other ASX-juniors poking around for gold in the same neighbourhood.

One of those is former uranium hopeful Manhattan Corporation. In July this year it reported drilling at its Tibooburra project had intersected shallow gold mineralisation. At the Clone prospect assays included 31m at 1.29 grams per tonne and 7m at 7.23gpt.

The other is Red Mountain Mining with its own Koonenberry project.

Both these companies have more recently dived into lithium exploration — Manhattan in Canada and Red Mountain in Nevada — while Koonenberry Gold remains a pure gold play.

The attraction for all three is, as a recent Red Mountain presentation explains, is that the Koonenberry Belt is located on a geological setting analogous to the prolific Victorian gold fields. The Stawell Corridor is often mentioned in this regard.

Koonenberry Gold describes its ground as having the "right rocks, structure, deformation history", and believes its project has the potential to contain a multi-million-ounce deposit (and it cites the 5Moz Stawell Mine as its goal). The ground has 200sq.km of "extensive" nugget field and outcropping quartz veins.

In its pre-IPO presentation, Koonenberry Gold stated that its nugget field was, in fact, larger than the size of either the Stawell or Bendigo fields, with gold nuggets being found near surface on its ground. There is the added attraction of little sedimentary cover. In some parts of its ground there were no historic records of previous exploration.

The company is about to launch what it describes as a high-impact drill program at one of its five prospects, Bellagio.

But back that slide mentioned above.

It quotes from a report 18 months ago from S&P Global Market Intelligence, which noted a "lack of new major discoveries over the past decade [resulting] from companies focusing on advanced-stage assets and known deposits rather than searching for greenfield discoveries".

Koonenberry Gold then cites two examples where gold discoveries came from testing new ideas.

One was the discovery by De Grey Mining of Hemi with its now 10.5Moz endowment. This deposit is located in the Pilbara Craton and, as the presentation notes, was previously regarded as too remote, lacking scale, and seen as having "no gold".

The other is Gold Road Resources with Gruyere (7.5Moz) in the Yamana Belt, once considered too remote, under cover, with the wrong geological age.

Well, of course, there's no (or, at least, not too much) shame is talking yourself up, but obviously this NSW neck of the woods has been overlooked. In 2021 about \$5 million was spent exploring in the Koonenberry Belt with total drilling amounting to 5km. Contrast that with gold activity in Victoria during 2021: \$149.3 million spent and hundreds of kilometres drilled.

There haven't been too many greenfield gold plans of late, but plenty of work looking for gold left behind due either little technology available in the early days and/or low gold prices in the 1990s.

Koonenberry Gold is a very lightly traded stock or, on many a day, not traded at all. After all, greenfield exploration takes time, a lot of time. Brownfield, not nearly so much.

We'll wait and see whether this stock can wake up from its slumber with its own new idea.