

Hennigh's grand gold vision in Western Australia



NOVO RESOURCES

Drill sites at Novo Resources' Beatons Creek gold project in Western Australia.

BY MATTHEW KEEVIL

VANCOUVER — When it comes to early stage exploration, it is not unusual to hear about big ideas and regional plays. But when Quinton Hennigh focused on a theory for the better part of a decade with prolific Australian prospector Mark Creasy, the wheels got turning. And that's the story with up-start explorer **Novo Resources** (NVO-C) and its large-scale land package in Western Australia's Hamersley basin.

Hennigh has a track record with gold outfits like Newcrest Mining, Newmont Mining and Evolving Gold, and a long-standing goal of his has been to find a

similar geological occurrence to South Africa's Witwatersrand basin, which has produced approximately 1.6 billion oz. of gold since being discovered in 1852.

Hennigh has dedicated himself to exploring basins around the world in a bid to find similar gold-bearing, conglomerate-style mineralization to that found in Witwatersrand, and he thinks he's hit a bull's eye with a discovery in Western Australia.

"It's a pretty big concept, and a big project for a junior company. It is related to some research I did a few years ago for a major miner," Hennigh says during a phone interview. "The research I did

focused on a number of basins, but head and shoulders above everything else was Hamersley, which sits astride the Pilbara craton. It has many of the same characteristics, including rock age and sequencing, but most importantly it has those gold-bearing conglomerates."

The gold region Hennigh is focused on has a mining history dating back 100 years. Explorers recognized the gold-bearing reefs — a term Hennigh says was coined in South Africa, but fits his discovery well — and started up a series of smaller-scale operations focused on alluvial gravel and near-surface oxide gold occurrences that

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could be processed via state-run mill batteries.

Once operations hit sulphide material, the state-run mills were not capable of handling the processing duties, and the mines inevitably shut down. Hennigh says the oxides have so far run to depths between 20 and 40 metres before transitioning into non-refractory sulphide mineralization.

“Fast-forward around sixty years, and we introduce a fellow named Mark Creasy, the best-known prospector in Australia, hands-down,” Hennigh explains. “When I was working for a major mining company we approached Mark. Unfortunately at that time we did not strike a deal, but after leaving the company I started talking with Mark myself.”

It took around six years, but Hennigh finally locked down a deal with Creasy that saw him scoop up around 1,800 sq. km of Hamersley, and get on the path to proving his theory correct.

Novo now has two large land blocks in the region, named Beatons Creek and Marble Bar.



Novo Resources president and CEO Quinton Hennigh.

limited preliminary exploration.

Novo recently received results from a 43-hole, reverse-circulation drill initiative Hennigh labels a “proof-of-concept” program. The company also ran Leachwell analyses on the samples, which are described as “cyanide-soluble” gold tests.

“We can probably drill a significant resource in a short time, and for very little money,” Hennigh speculates. “I’ve

when looking at grades and intercepts, which include: 16 metres averaging 4.29 grams gold per tonne from 20 metres depth in hole 11-002; 25 metres grading 1.28 grams gold from 48 metres in hole 11-003; and 36 metres of 1.36 grams gold from 38 metres, including a higher-grade cut of 1 metre averaging 19.23 grams gold in hole 11-009.

“In many intercepts we see at least one — and sometimes as many as three — high-grade intervals, which are the higher-grade reefs that are present within the system,” Hennigh comments. “They appear to be continuous over the entire area. So we’re hopeful we can chase that higher grade farther out into the basin, which could potentially be an underground target at some point. All our focus for right now is to find a large area that is underlain by this layer of conglomerate that has sufficient high grades for an open-pit mine.”

Novo has tried geophysical techniques on its land package, but the reefs are hosted in siliciclastic rocks, which makes it difficult to get good reads on potential zones. But with stream-sediment sampling, the company has identified a bevy of targets across the Beatons Creek and Marble Bar properties. According to Hennigh, the team is identifying six to eight prospective targets during every stream-sampling campaign.

Novo is digging through data from its 70%-owned, 1,250 sq. km Marble Bar concession in a bid to establish two to three targets for a drill program in the next few months.

Novo is trading on the Canadian National Stock Exchange, though it is hard to see the company remaining off the TSX Venture Exchange for much longer.

With 31 million shares outstanding, Novo was trading at 92¢ at press time, with a \$29-million market capitalization.

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—QUINTON HENNIGH, CEO, NOVO RESOURCES

Novo holds a 70% interest in Beatons Creek under separate joint-venture agreements with **Millennium Minerals** (MOY-A) and the **Creasy Group**. The property covers 20 mining leases over 560 sq. km., and Millennium’s package was important because it hosts outcrops that would let Novo directly drill its prospective reef systems from surface, with relatively

actually been talking to the water department in Perth about permitting a mining operation. If we can get away from having to build a mill, the permitting for a smaller operation is really straightforward, and could be very quick.”

Hennigh says the company was “extremely pleased” with the results of its scout drill program at Beatons Creek, and his optimism seems well-founded