

## SECOND TIME AROUND

### NSGold hunts for precious metals in old lead/zinc properties

Where there's smoke, there's fire. That's the philosophy of Perry MacKinnon, the chief geologist of NSGold Corporation, a company that is looking for precious metals in the challenging terrain of the Cape Breton Highlands.

"On the whole, they are older rocks, predominantly volcanic, as opposed to most of mainland Nova Scotia which is sedimentary and igneous," MacKinnon said.

MacKinnon says the geology is similar to the "world-class" ore deposits of the Bathurst area in New Brunswick and the Buchans area in Newfoundland.

"When it comes to gold, there's some local bonanza grade gold there," MacKinnon said of the Cheticamp property.

In mining terms, "bonanza grade" means values higher than normal; in the case of gold, that would be an ounce per tonne or more.

In August, NSGold (NSX:TSXV) reported "encouraging results" from stream and sediment grab samples from three of seven exploration licences.

In the Fisset Brook area, an area not previously thought to contain significant amounts of precious metals, samples returned values of 78.4 grams per tonne silver and 1.44 grams per tonne gold. Samples also revealed copper, nickel, lead, zinc, and arsenic.

On its Rocky Brook licence, samples returned values of "up to 6.17 grams per tonne gold in an area of historic trenching."

The area has been mined before and was pretty rich in lead and zinc, but NSGold CEO Glenn Holmes said his company's effort to take another crack at the old mine is part of a global trend driven by soaring commodities prices.

The fiscal uncertainty and monetary devaluation is also prompting investors to put their cash in precious metals. Rapid growth in the BRIC countries (Brazil, Russia, India and China) is a factor, as is new technology that is unlocking old deposits that were abandoned.

One of NSGold's other projects – and one that is closer to production – is the Mooseland gold project. It was Nova Scotia's first gold mine, but NSGold has

estimates that show a resource of 454,000 ounces of gold.

While Mooseland is further along, Holmes is optimistic NSGold can establish "sizeable tonnage" in the Cheticamp properties.

Previous efforts there have just scratched at the surface and focussed on small tonnage high-grade situations, but the source remains to be found.

"With methodical exploration, we hope to identify the so-called motherlode there," Holmes said.

—Ryan Van Horne



Perry MacKinnon  
chief geologist  
NSGold Corporation

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