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Geological Evidence Is Mounting That Connemara Mining And Minco Are Sitting On One Of Europe's Biggest Zinc Deposits

By Charles Wyatt (MineSite)

Until this week, there hadn't been too much news from Connemara Mining since chairman John Teeling issued a drilling update last September. That announcement gave details of progress at the Stonepark project on the Monaster block, Co Limerick, where Teck Cominco is operator and has earned a 75 per cent interest. Stonepark is situated less than five kilometres west of the Caherconlish and Tobermalug zinc discoveries made by partners Minco and Xstrata on their Pallas Green project.

In July last year Minco announced a JORC compliant resource estimate of 11.3 million tonnes grading 10.2% zinc and 1.9% lead at Tobermalug, and a fair amount of the excitement in Ireland about this has reflected on Connemara, as its discoveries at Stonepark and Stonepark North are on the same trend that extends from the Minco/Xstrata discoveries. More than that, the ore is similar to that present in the discovery holes at Pallas Green.

John is no mug when it comes to promotion, so he probably did not rush into the latest announcement, released on 19th January, figuring that he'd allow markets time to settle down again after the Christmas and New Year holidays. But it was an announcement worth waiting for, as the latest drilling from another drill-hole on the Stonepark North zone has intersected yet more high grade zinc-lead ore. Moreover a second step-out hole has hit the same mineralisation, though not quite at such a high grade, a mile or so away. As each hole is reported it becomes ever clearer that Stonepark and Tobermalug will more than likely join up. There is another strong clue in the fact that the sulphide mineralisation consists of massive to disseminated sphalerite, galena and pyrite, and is typical of an "Irish-type" deposit, such as the large Anglo American mine at Lisheen, 60 kilometres to the northeast of Stonepark.

These zinc deposits in Ireland tend to be some of the largest in Europe, ranging from Lisheen, with 20 million tonnes to the 120 million tonne Tara mine. In fact Tara is the world's fifth biggest zinc mine and Lisheen comes in at number 12,

so it is no surprise to find Teck Cominco and Xstrata involved at these two highly prospective projects. The zinc mineralisation tends to be found on the edge of limestone sequences known as Waulsortian Reefs, and certainly all the intersections at Stonepark and Stonepark North have been identified in this geological context, as indeed have those over the way at Pallas Green. What tends to add a slight complication is that these Irish zinc deposits can occur as a string of pearls, but if the pearls are only two to three kilometres away from each other they would surely have to be mined as one.

This is the crunch. The question John Teeling is asking himself is whether it would make sense for Connemara and Minco to merge to give themselves a more solid base in the negotiations which will eventually materialise if Xstrata and Teck Cominco decide to develop the two projects as one. Both are now cracking on with drilling programmes, with Xstrata currently going for 150 holes and Teck for 30. As a result Connemara only has to contribute a modest €60,000, although Minco is due for a lot more and has just raised £1.06 million. By the time those programmes are finished a lot more will be known about both projects.

As it is, Terence McKillen, chief executive of Minco, has said that drilling on the Northwestern extension of Tobermalug “confirms a zone of fault-controlled mineralization located northwest of the main resource at Tobermalug and the main part of the deposit, plus the extension zones to the northwest and south remain open with the potential to add tonnage”.

At Stonepark what appears to be a stratiform zone of continuous zinc-lead mineralization has been defined at the shallower, up-dip, end of a much larger mineralising system. The hole that has just been announced was 85 metres north of one previously reported in September, and it looks very nice indeed. John’s pleased - and who wouldn’t be - with 7.8 metres at 5.18% zinc and 2.68% lead, from a depth of 207.6 metres. That includes a higher-grade zone of 1.35 metres at 10.4% zinc and 2.16% lead. The step-out hole was drilled 2.1 kilometres away from it and 400 metres south of previous drilling in 2008. That hole, as we’ve said, was lower grade, coming in at 1.7 metres of 3.0% zinc and 4.78% lead at a depth of 516.8 metres, but the presence of zinc-lead mineralisation in this hole suggests a larger mineralised system in a north-south direction.

Overall, the momentum is beginning to build, with a constant awareness that Tobermalug, with its inferred resource, is only 4.5 kilometres to the east. John Teeling sums it up when he says that the results from the new hole had all the

main requirements: high grade, the right type of mineralisation, shallow depth and a location a good distance from the earlier discoveries. Moreover the step-out hole offers the distinct possibility of a much larger deposit. No wonder the Teck people are said to be getting excited. Xstrata is too, to judge by the amount of drilling being planned. What John Teeling has to do now is attract John Kearney's attention back from Labrador Iron Mines, which will start direct shipping lump and sinter fines haematite iron ore later this year. Besides being the key man at Minco, John K is also chairman of Anglesey Mining which has a 50 per cent stake in LIM so he is pretty busy at the moment. Nevertheless the sooner the two juniors involved what could turn out to be one of Europe's largest zinc discoveries start talking, the better.