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AusIMM2016: The scientific lure for Otago Schists grows

By Simon Hartley

Discussion on early-days exploration potential of a new gold prospect in south east Otago was arguably the highlight of the first day of New Zealand's annual mining conference.

The geoscientists behind work already carried out on two blocks near Roxburgh and Lawrence has prompted Australian listed New Age Exploration Ltd (ASX: NAE) to apply for prospecting permits covering about 480 square kilometres.

From the University of Otago, Dr Doug MacKenzie and Professor Dave Craw are hoping if the permits are awarded, they will have a couple of years of low impact geological ahead, with NAE having set aside about \$150,000 for the project.

At the heart of the question for the two geoscientists, is the Otago schist belt; covering most of Otago's coast and back far inland, where, in the north-east, is OceanaGold Corporation's (TSX. ASX & NZX: OGC) Macraes mine, which has produced more than 4.5 million ounces of gold in the past 26 years.

Both Dr MacKenzie and Prof Craw believe that on the south eastern side of the schist belt there could be similar gold mineralisation as what has been produced from Macraes.

Dr MacKenzie told delegates at the annual AusIMM NZ mining conference in Wellington, he was looking for a "mirror image," of what was at Macraes, but said that at present geological information in the area was "rudimentary at best at present."

While the famous Gabriel's Gully and its more than 500,000 oz production borders the block, quite how that gold got there, and where it came from, is another question and remains under scrutiny.

"Using geophysical images, we'll be building up a picture of the area," Dr MacKenzie said.

"What's known now is there is a more complex structure in this block than was previously recognised," he said.

Prof Craw said the "obvious next step" is investigating the creeks in the area, to see what had been eroded and what placer gold there was. He has been studying and comparing minute Macraes gold flakes, and small nuggets, to those recovered in the the southern zones, looking for similarities of how and from where they were transported, and being broken down by different forces of erosion.

"Is the process symmetrical?," Prof Craw asked the delegates, in comparing Macraes gold with that over the other, southern side of the schist belt.

Even further south-west are gold operations in the Waikaia Valley and Waimumu, in northern Southland, which were also assisting with supplying gold samples for scrutiny," Prof Craw said.

*Simon Hartley is senior business reporter and assistant chief reporter for the Otago Daily Times.



[Craw presentation. \(1.1 megabytes\)](#)



[MacKenzie presentation. \(1.6 megabytes\)](#)

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