

Goldcliff Resources (TSX.V:GCN): Exploration on 3 Fronts

By James West

Goldcliff Resources is making solid progress on exploration programs this year, and the company's recent activity underscores that fact.

Goldcliff is spending \$1,550,000 in exploration on several of its 100-per-cent-owned properties in British Columbia, Canada. The exploration is being conducted on Panorama Ridge (gold), Ainsworth (silver and molybdenum) and Big Sheep Creek (uranium). The company has also identified new properties of merit for acquisition.

The exploration at the Panorama Ridge property, located in the historical gold district of Hedley, is advancing ahead of schedule with trenching and drilling in progress. The property was a new discovery by Goldcliff who subsequently have excavated 4,276 metres of trenching in 154 trenches and drilled 77 holes totaling 7,621 metres. So far this season, an additional 590 metres of trenching in 20 trenches has been excavated and the channel sampling completed. To date, the drilling program has completed over 30 core holes for a total of over 3,000 metres. Goldcliff's exploration objective for 2007 on the Panorama Ridge gold property is to advance from the gold-discovery-exploration-drill stage to the gold-resource-definition-stage.

Having identified the gold mineralized zones in the previous gold-discovery-exploration-drill stage, the gold-resource definition stage will measure the volume of gold content in these zones. The Company is confident that the gold mineralization encountered at the York-Viking and Nordic gold zones in surface trenching and in drilling represents potentially economic gold grades. The trench samples are in for assay and the core is being cut.

Since 2000, Goldcliff has acquired a total of 4,125 hectares (10,190 acres) at Panorama Ridge. The claims are free and clear of overriding production royalties, Net Profits Interests (NPI) and Net Smelter Returns (NSR). The Panorama Ridge property is 100% owned and operated by Goldcliff Resource Corporation and is located in the historic Hedley Basin.

The Hedley Basin has had a long history of gold production (1904 to 1996) from the Hedley North mining district. During this period, 2,524,313 ounces of gold were produced from auriferous skarn deposits. The Nickel Plate and Hedley-Mascot mines produced more than 97 per cent of the gold from a single gold-skarn deposit (Nickel Plate deposit). Smaller production came from the French, Good Hope and Canty gold skarns. A small amount of gold production came from the Banbury quartz-carbonate veins (Maple Leaf and Pine Knot) located in Hedley Basin South.

The Mascot and Nickel Plate mines eventually fell under the ownership of Mascot Gold Mines Ltd, which traded from a start of \$0.45 to a high of \$20.63 on Tuesday August 4th, 1987.

In some ways, Goldcliff's approach to exploration at Panorama Ridge has become increasingly rare: The company started with a property that had seen no exploration work whatsoever. With the price of gold at historical highs, many juniors have fallen back on recycled properties that simply did not have economically viable grades prior to the present bull market. Since no one can say how long a bull will last, such projects have the dubious legacy of being abandoned again once prices return to historical averages. Goldcliff is seeking something akin to the Nickel Plate-Mascot mine, or what they have called a "company maker".

Director and cofounder Ed Rockel, who was a mine geophysicist at the Nickel Plate-Mascot in the 1980s, explained how his work at Nickel Plate later mirrored results at Panorama Ridge. "The IP survey that I conducted over the old mine workings resulted in the discovery of additional gold mineralization around the old gold workings, that led to the development and production of Mascot's Nickel Plate open pit mine in 1987. I was responsible for conducting the IP survey over the ground that is now owned by Goldcliff. The IP results are a dead-ringer to Nickel Plate. I think that I know what is going on from the geophysical standpoint on Panorama Ridge based on my experience and interpretation of Goldcliff's geophysical data."

On the Ainsworth properties in the Selkirk and Purcell Mountains of the Kootenay Lake region, the airborne geophysical survey program has been completed by Fugro Airborne Surveys Corporation (Toronto, Canada). The survey accumulated 1200 line kilometers of data consisting of magnetic, electromagnetic and radiometric coverage. The preliminary interpretation of the geophysical data has identified several anomalies. A field crew is conducting follow-up prospecting and geochemical sampling.

On the Big Sheep Creek uranium property (a 32,388 hectare claim block underlain by an Eocene Coryell plutonic suite of syenitic to monzonitic intrusive rocks) the airborne geophysical survey program has been delayed and is scheduled for early October. Prospecting and geochemical stream sampling is planned for mid September.

The geochemical stream sampling will be a follow-up to the anomalous uranium values identified by the regional stream sediment sampling program (RGS 1976-1977) carried out by the British Columbia Geological Survey, which returned a number of anomalous uranium values, including two samples exceeding 300 parts per million or 0.03 per cent uranium.

Goldcliff has identified the streams where the RGS uranium anomalies occur. The majority of the anomalous uranium values occur along or near a major north-south geological structure and within a geophysical regional magnetic low. The regional magnetic low is within the intrusive rocks and has been interpreted to be an alteration feature that could be associated with the uranium mineralization.

Goldcliff has interpreted the Big Sheep Creek property as having a geological setting that is similar to the "granitic-intrusive-uranium model". This uranium mineralization model is a well-defined model for uranium deposition, the best known of which is the bulk tonnage Rossing deposit in Namibia, Africa, where uranium ore grades are in the 300 ppm uranium range (0.03 per cent uranium).

Goldcliff's management team is comprised of senior and successful geoscientists. Messrs Saleken, Rockel, and Saxton were all senior members of the technical team that developed the Mascot Gold open pit at Hedley. The Company has had a busy summer and fall field season and anticipates results from the work on three projects to be received over the next couple of months.

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