

## NioGold Breathes New Life Into Former Mines

By Peter Kent

There's a saying in the mining business that goes like this: "The best place to find a new mine is next to an old mine."

It sounds trite, but recent developments around the world have demonstrated the truth behind the saying.

NioGold Mining (TSX.V:NOX) has just finished drilling over 10,000 metres of a planned 40,000 metre drill program on its wholly owned Marban Block property. This initial round of the program is investigating gold mineralization in the area immediately surrounding the past-producing Marban Mine. All of the holes indicated that the geologic features that helped establish the Marban Mine are also present in the ground around the mine.

Certain veined and mineralized sections bear strong similarities to Agnico-Eagle's (TSX:AEM) Goldex deposit (which contains an estimated 21.4 million tonnes grading 2.39 g/t Au for a total of 1.64 million ounces of gold) located 10 kilometers to the southeast. Follow-up holes are planned.

NioGold first drilled 10,000 metres across 63 holes during its 2006 exploration program.

Jay Taylor, a respected and widely followed investment analyst who has recommended the company to his subscribers, thinks the Malartic Gold Camp is an "outstanding" area to be developing gold resources.

"NioGold, because it's in a historic gold camp, is surrounded by infrastructure. You have people, roads, power and milling facilities, so conceivably a company like NioGold could prove up a deposit and put it into production in relatively short order," he says. "I look at it as a less risky exploration play compared to other projects because it's in such a well developed location."

The camps presently encompass several active advanced exploration and mine development projects such as Canadian Malartic (Osisko Exploration – TSX.V:OSK), Kiena (Wesdome Gold Mines – TSX:WDO), Midway (Northern Star Mining – TSX.V:NSM), Goldex (Agnico-Eagle) and Lac Herbin (Alexis Minerals). The Marban Block encompasses three former gold producers, namely the Norlartic, Kierens (First Canadian), and Marban mines. These companies collectively produced 592,265 ounces of gold.

The Marban Block project is located in the western portion of the province of Quebec, Canada, midway between the towns of Val-d'Or and Malartic, in the southern portion of what is known in mining terminology as the Abitibi greenstone belt. This area falls within the Malartic Mining "camp", which has yielded a total estimated 8.9 million ounces of gold – worth US \$6.2 billion at today's prices.

The Marban Block has seen exploration since 1940, and at least 14 different companies have explored and/or mined the property since that time.

The project is the result of NioGold's consolidation of four contiguous properties in the Malartic mining camp – Norlartic, First Canadian, Marban, and Gold Hawk – and consists of 34 mining claims, three concessions, and one mining lease covering a total of 972.8 hectares.

A report by independent geology consultants Mine Development Associates of Canada has put over 342,000 ounces of gold into a National Instrument 43-101 compliant resource estimate, but the recently announced drill results mean that these numbers are growing.

Besides the Marban Block, NioGold has two other ongoing exploration projects in its property portfolio. Briefly, they include the Camflo West Property, where in 2006, NioGold completed geophysical surveys and drilled 11 widely spaced holes (3,300 metres) testing the sediment / volcanic contact. The drilling uncovered high level intrusives and significant alteration similar to those associated with gold mineralization of the Malartic camp. Values of up to 9.08 g/t Au over 1.2 metres were returned from the drilling.

Located 200 kilometers southeast of the town of Val-d'Or and 50 kilometers north of the Mt-Laurier uranium district, Pump Lake is an early stage project that displays characteristics comparable to the Iron Oxide-Copper-Gold (IOCG) class of mineral deposits. These include the association of iron oxides (magnetite, hematite), copper, gold and uranium and the proximity to intrusive rocks. World-Class examples of IOCG's are found at Olympic Dam and the Cloncurry district (Australia), Candelaria (Chile), Salobo (Brazil), and the Kiruna district (Sweden).

The company is led by Michael Iverson, who was Chairman, Director and Chief Executive Officer of Fortuna Silver Mines (TSX.V:FVI) from March 1998 to December 2004 and who remains as a board member, and Vice-President Rock Lefrançois, whose 20 years in the field has seen his service as senior geologist for Cambior (recently acquired by IAMGOLD Corp [NYSE:IAG]) and Aur Resources (recently acquired by Teck Cominco

[TSX:TCK]). His wide-ranging knowledge of exploration methods applied to various styles of mineral deposits and his ability to develop exploration concepts will be an asset in advancing NioGold's diversified portfolio of projects.

NioGold currently has 61.1 million shares issued and outstanding, with 78.5 million fully diluted. Visit the company's web site at <http://www.niogold.com>.

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