

## ValGold Nets a Rich New Prospect at Fish Creek in the Guiana Shield

By Christina de Wit

The phrase “money talks,” has been around for ages, but the ancients had a more artful way of saying it – aureo hamo piscariis – which translates from the Latin as “To fish with a golden hook.” ValGold Resources’ (TSX.V:VAL) shareholders will probably appreciate the classical interpretation; the company’s latest news suggests that management has hooked a big one with its newest acquisition in Guyana. As per VAL’s November 7th press release, the company has expanded its holdings in the Guiana Shield through an agreement with a private Guyanese company. ValGold stands to earn a 100% interest in the Fish Creek Prospecting Licence, comprising approximately 5,180 hectares (12,800 acres) in Mining District #5 in northwest Guyana. This brings the company’s total holdings in the Guiana shield to 5,484 km<sup>2</sup>, with 4,592 km<sup>2</sup> of ground in Guyana, and 892 km<sup>2</sup> in Venezuela’s Bolivar State. This makes the company one of the larger single landholders in the Guiana Shield.

The Guiana Shield is South America’s counterpart to the volcanic-sedimentary Birimian Supergroup in West Africa, which hosts several large gold deposits, the most famous of which is AngloGold Ashanti’s Obuasi Mine in Ghana. Obuasi produces approximately 400,000 ounces of gold annually. What is perhaps most striking about the Guiana Shield is that it’s one of the last seriously underexplored major geological systems left in the world.

Major gold deposits within the Guiana Shield include the Rosebel mine in Suriname, the Omai mine in Guyana and the Las Cristinas and Brisas deposits in Venezuela. Before closing in 2005, Omai (owned by Cambior, which was bought out by Iamgold) was the largest open-pit gold mine in South America, and produced more than 3.7 million troy ounces (115,081 kg) of gold during its lifetime.

Besides being known as one of the world’s largest exporters of bauxite, Guyana is also known for its gold, diamond and uranium potential. Free market-oriented political reforms in the 1990s and the current breakout gold market have done much to highlight Guyana’s appeal to mining investors.

Although this acquisition stands on the merits of its exploration potential alone, ValGold’s corporate culture is to seek opportunities to “join with good men”. A key component of this deal is leveraging the expertise of Hilbert N. Shields, ValGold’s Guyana country manager, and past vice-president and general manager of Golden Star Resources. He was responsible for that company’s project generation, acquisition, and exploration to feasibility study for gold and diamonds in Guyana, Suriname, French Guiana, Venezuela, Sierra Leone, and the Ivory Coast. He was responsible for a US \$100 million budget over 13 years with the company and had a technical staff of 45 geo-scientists and 350 local employees. Mr. Shields supervised the exploration of the Omai gold deposit to completion, which currently produces 300,000 of gold annually.

Perhaps more importantly, Hilbert’s team initiated the original exploration by Golden Star on Fish Creek in the 1990s. Now he is eager to return to the Fish Creek site to follow up on the mineralized anomalies he began to work on prior to the downturn of gold prices.

The Fish Creek licence is at the northeast boundary of and adjacent to the company’s Five Star property. This area has a history of artisanal gold mining and is dotted with workings. It is also thought to be potentially rich in diamonds, uranium and copper-nickel and/or platinum group metals (PGM).

The company’s website describes the Five Star properties as being “highly prospective for gold and, potentially, diamonds, uranium and copper-nickel and/or platinum group metals (PGM). Several gold occurrences have already been discovered on the properties including the Makapa occurrence where rock samples have returned gold values as high as 136.0 g/t. Limited drilling at the same occurrence has intersected up to 18.3 g/t gold over 2.0 meters in silicified volcanoclastic conglomerate. Large areas have also seen no work or have good gold stream silt anomalies that have not been investigated. Alluvial diamonds have been found at a number of locations yet very little exploration has been conducted for this commodity. Radiometric surveys have identified several uranium anomalies and layered, intrusive, mafic to ultramafic rocks could potentially host copper-nickel and/or PGM mineralization.”

Golden Star Resources, who worked on Fish Creek from 1994 to 1997, conducted stream sediment and regional soil geochemical surveys, airborne and ground geophysical surveys, detailed soil, rock and trench sampling, as well as 2,780 m of diamond drilling over 20 holes. This preliminary work allowed Golden Star to delineate several anomalous areas of gold enrichment. These appear to be associated with a major regional east-west fault, whose structure crosses the central part of the licence and extends about 40 km west.

Trench sampling is reported as having returned (historic, non-43-101-compliant) values of up to 3.6 g/t gold over 7m and 9.7 g/t gold over 3m. The best drill intersection was reported as 10.34 g/t over a core interval of 7m.

Despite some impressive results, low metals prices in the 1990s undoubtedly influenced Golden Star’s decision to halt its work program and to allow

the licence to lapse. The license was not picked up until April 2007 by the current optionor. Prior to acquiring the licence, ValGold reviewed Golden Star's collected data and visited the site to collect samples from past and current alluvial and saprolite artisanal workings. Grab and chip samples from rock exposures returned high-grade gold values of up to 34.0 g/t in quartz vein material.

As it prepares for an immediate drill program that will test several of the anomalous targets outlined by Golden Star, ValGold has been infilling the historical soil sampling grids and sampling many of the accessible artisanal mine workings. Preliminary exploration has identified several additional, excellent gold occurrences that merit further trenching and subsequent drill testing. Investors can look forward to the soon-to-be-released NI 43-101-compliant report on Fish Creek.

This newest acquisition enhances a property portfolio that is already well-diversified within the Americas. In addition to its Mochila property in Venezuela, where it is actively drilling, ValGold also has a 100%-interest in two properties in the gold belts of northwestern Ontario.

Several factors suggest that VAL could soon see a significant appreciation in value: it has large holdings in an underexplored region known to contain hugely valuable mineral wealth, it has projects at drilling stage, and its timing is supported by record-high commodities prices. Perhaps most importantly, the company is led by seasoned management with a brilliant track record of exploration and relationship-building in the Americas. Valgold's president and CEO, Stephen J. Wilkinson, is building on his success with Northern Orion (Argentina). Andrew F.B. Milligan, the company's chairman, is a former president of Glamis Gold. Tom Pollock, ValGold's vice-president of exploration, has 25 years' international exploration and management experience— 20 of it with BHP.

Mr. Wilkinson, in his recent interview for Smartstox Online's TV Talk Show – click here (<http://www.smartstox.com/interview/val/>) to watch – discusses the company's plans for success as it goes ahead with its ambitious drilling programs in the Guiana Shield.

These are certainly exciting times for ValGold, and investors would do well to ensure that this opportunity doesn't end up being "the one that got away".

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