

Little Squaw's Big Gold Potential

By Eric Pratt

It's not often one discovers an OTC-listed mining company that has a board of directors and management team with the caliber and pedigree of Little Squaw Gold Mining Company (OTCBB:LITS).

The president, Richard Walters, besides being a certified professional geologist with the American Institute of Professional Geologists and a Qualified Person as defined in National Instrument 43-101, was also a founder, director, president and chief operating officer of Yamana Resources Inc. the forerunner to Yamana Gold Inc., (TSX:YRI) between December 1994 and March 2000. He also serves as a director and executive vice-president of Marifil Mines Ltd. (TSX.V:MFM).

Rodney Blakestad, the vice-president of exploration, has in his thirty years as a geologist worked with Columbia Metals Corp. (TSX.V:COL), Nevada Star (now Pure Nickel - TSX:NIC), and Robex Resources (now Robex Gold – TSX.V:RBX). He is credited in part with the discovery of the 4 million ounce Fort Knox Gold Mine, now owned by Kinross Gold Corporation (TSX:KGC).

Robert Pate, the company's vice-president of operations, is also a 30 year veteran of mine operation and mineral exploration having served with Yamana Resources, Freeport Copper (a division of Freeport McMoran – NYSE: FCX) , Coeur d'Alene Mines (NYSE:CDE), and Atlas Precious Metals where he was the chief geologist at the Gold Bar Mine in Nevada. At Freeport, he was a senior supervisor of the huge Grassberg Indonesia copper/ gold mine.

In the board of directors, William Schara is the Chairman, and was the chief financial officer of Minera Andes Inc. (TSX:MAI), a Vancouver-based company bringing a new gold and silver mine into production in Argentina. He is currently the CEO of Nevoro (TSX:NVR), and is also an alumni of Yamana Resources.

The rest of the directors have collectively had stints with Kennecott Corporation (now a division of Rio Tinto PLC – NYSE:RTP), Bond International Gold, Copper Range Corp, Newmont Mining (NYSE:NEM), Revett Minerals (TSX:RVM), and Pegasus Gold Corp (now Apollo Gold – AMEX:AGT). The affiliations with professional associations related to mining are simply too numerous to list here.

So the point is, don't think of Little Squaw as just another OTC-listed mining deal. This is a powerful, been-there, done-that team of seasoned executives who are unlikely to waste their time on anything less than projects with the strong potential to become mines.

Which brings us to their flagship project, the Chandalar mining district. Bear in mind that the past employment of both management and directors is extremely relevant to this property, in that there is a great deal of history spent on the part of this team in the jurisdiction of Chandalar – Alaska.

This 23 square mile property package has above average potential for underground, open pit, and placer mining operations. Little Squaw owns 100% of the ground, and an independent study by Pacific Rim Geological has drawn comparisons in the geology at Chandalar to, among others, the 38 million ounce Sukhoi-Log mine in Russia, the 7.9 million ounce Natalka mine, also in Russia, the Juneau district in Alaska, which produced over 3 million ounces, Cape Nome, Alaska, which produced over 5 million ounces of placer gold, and Treadwell, Alaska, which produced more than 3 million ounces of gold.

The main hard rock deposits in the Chandalar district are the Mikado Lode, Chandalar-Eneveloe Lode, Summit Lode, and the Little Squaw Lode. Other Lode Gold Prospects in the Chandalar Mining District include the Crystal Vein, Big Squaw Claim, Pioneer Prospect, Drumlummon Prospect, Grubstake Vein, Grubstake East Prospect, Prospector East Prospect, Indicate-Tonapah Lode, Chandalar Vein, Jupiter Vein, Bonanza Vein, Pallasgren Claim, St. Marys Prospect, Star Claim Group, Star No. 3 Claim, Duplex-Triplex Vein, Wildcat Prospect, Jackpot Prospect, Woodchuck Claim, Little Kiska Occurrence, Pedro Prospect, and the Grubstake West Claim Group. Most of these prospects are historic discoveries carrying significant gold values that remain as yet unexplored.

This mineral belt includes such famous deposits as Cominco's Red Dog zinc mine, the largest zinc deposit in the world, and the prolific Ambler volcanogenic massive sulfide (copper & zinc) district, now controlled by Nova Gold. Prospectors discovered the district about 100 years ago, and its recorded production from placer and lode mines is 84,000 ounces. There has been a substantial but unknown amount of unreported and otherwise secret production. Of the recorded production, 76,000 ounces of gold or about 90 percent of the total was recovered from placer deposits.

Trenching last year produced some excellent results including a 20-foot-wide structure that assayed 10.58 grams per tonne. Drilling has intersected

good grades and widths such as 6.1 metres grading 4 grams per tonne gold, 9.1 metres grading 4.7 grams per tonne gold, and 29 metres of just under 1 gram per tonne gold, each of these occurring in three different zones.

An underground channel from the 180–metre-long Little Squaw vein assayed an astounding 89 ounces per tonne of gold.

So there's a lot of potential here, and the company's exploration program is getting ramped up for a busy summer.

Besides this primary project, Little Squaw also has two other projects in the western hemisphere in prolific gold producing regions that are politically secure. These include the Broken Hills West property, which is 15 miles north of Gabbs in the Walker Lane Trend in Nevada, which has produced over 50 million ounces of gold so far, and the Pedra de Fogo project in Goias State, Brazil in the middle of a prolific gold mining region.

But these will be the subject of future articles, so keep your eyes open for more information on this little known, but outstanding opportunity.

About the Author

Eric Pratt is the Metals Editor for Resource Investor, a premium source of news and investment ideas for individuals seeking information about emerging companies in the resource sector. Find out more by visiting <http://www.ResourceInvestor.com>.

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