

Resolute gets a break

Robin Bromby
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IT just goes to show - no one knows anything in this business.

For the past year or two, there's been a fair bit of woe expressed about the state of the gold sector in Australia. The great discoveries are behind us, you have to go to Africa to make the big hits, the brownfields developments aren't worth a cracker - yes, we have all heard those remarks (and, perhaps, made them ourselves).

But then along come some big discoveries, the most recent being some spectacular intersections from **Doray Minerals**.

Today **Resolute Mining** added its bit of good news - a 113m intersection at 7.7 grams/tonne gold at its Ravenswood gold project in North Queensland, which included 19m at 31.3g/t. The company said its first three holes at the Welcome Breccia had intersected broad zones of mineralisation. Other significant mineralisation included 18m at 3.92g/t and 19m at 4.52g/t.

The prospect was previously mined with a 25m-deep open pit, but Resolute recognised similarities to its nearby Mt Wright deposit and began testing for extensions at depth.

This is much needed good news for Resolute, a company that has not managed to capture much investor attention, partly through its low-key approach to publicity.

Ravenswood has been regarded by some commentators as Resolute's least attractive operation, not comparable to its mines in Africa. Costs at Ravenswood have been rising - the cash cost in the September 2009 quarter was \$710 an ounce, and that rose to \$771/oz in the December quarter.

Meanwhile, another company below the investment radar is **Cullen Resources**. Today it updated activities at four gold projects in Western Australia. The one that took our notice was the application for an exploration licence 30km from Cue. Just look at the neighbourhood - immediately south of Meekatharra (Australia's exploration hot spot at present), east of the historic and rich Big Bell mine, and on the same trend at Hill 50, Webbs Patch and Tuckabianna.