

## Reefton Drilling Confirms Namibian Deposits

**At least 18 deposits (based on a visual 1% estimated valuable heavy mineral cut-off) of potentially economic mineral sands and/or diamondiferous gravels have been identified by Reefton Mining NL's drilling program along the Skeleton Coast shoreline of Namibia in southern Africa.**

Stretching over 160km of beach sands, the Reefton Mining-backed drilling program of nearly 5,400m confirmed the deposits within the company's two exclusive contiguous coastal licences between Mowe Bay and Cape Fria.



Reefton beach dune drilling in Namibia

Results released from the now completed aircore drill program of more than 670 holes, combined with mineralogical analysis from limited test pitting by Reefton there last year, confirmed the presence of heavy mineral bearing sands of potential economic significance. Diamondiferous gravel terraces in the Mowe Bay area were also found to continue under local sand dunes.

The program was the first known mineral sand drilling to be conducted on these beach sections.

"Visual analysis of samples indicates that Ilmenite and Zircon appear to be the main valuable heavy minerals (VHM), with accessory Rutile, Leucoxene, and Monazite adding to the VHM suite of potentially saleable products," Reefton's Chairman, Brad Moore, said.

"Preliminary resource calculations, and testwork in Perth on the mineralogical composition of samples is now underway," Mr Moore said. "We can then move to assigning an in-situ value to the respective resource figures to help determine the economic viability or otherwise of the project."

Mr Moore said that a potentially positive economic impact on the project was the presence of diamonds on the gravel terraces that, in places, co-exist with the heavy minerals. "Volumes will be calculated for the potential diamondiferous gravels but diamond grades will only be able to be accurately estimated from subsequent bulk sampling," Mr Moore said.

The air-core drill samples were also found to be extremely low in estimated slime content, a major positive for Heavy Mineral deposits.

"Results from the 2006 program have provided accurate information on the depth and thickness of heavy mineral occurrences that was not possible in the 2005 test pitting program due to the limitations in excavating observation pits," Mr Moore said. "Where the test pits last year reached a maximum depth of 2.1m, the drill rig for the latest program was able to penetrate considerably deeper, with the average depth of drill holes being 7.8m."

Of the 18 deposits identified at the 1% visually estimated VHM cut-off, five are located in the modern coastal dunes of the Mowë Bay sector. In addition, two large volume dunal deposits have been outlined with a 0.5% VHM cut-off.

In the Rocky Point sector, north of the Hoarusib River mouth, a heavy mineral bearing deposit has been identified, which measures 3.7km in length by up to 250m in width.

Drilling in the Khumib sector revealed seven deposits in three distinct areas, with five deposits in one area all within the same stratigraphic unit, thus potentially being a single larger deposit.

In the Sechomib South sector, five deposits were identified, with one hosting a potentially diamondiferous gravel terrace. Also identified were many smaller, high grade, individual dunes and beach deposits that may become potentially exploitable if mining were to take place on the larger deposits.