

ADVERTISING FEATURE

Gold and silver prospects



Mark Bojanjac, CEO of PolarX, which has reported "bonanza" gold and silver grades from drilling at its Star Canyon, Nevada prospect (left).

Little hyperbole in Nevada appraisal

The US state of Nevada may be best known for the fleshpots and money bins of Las Vegas, but it also has a long-standing claim to fame as a prolific gold and silver producer.

To many, Nevada is known as the Silver State after gold prospectors found vast tracts of the grey metal in the 1850s.

Now, Nevada produces more than three-quarters of the entire gold output of the US and 5 per cent of total global production.

Mark Twain, the pseudonym of one of America's greatest authors, attested to Nevada's precious metal riches.

In the 1860s, Samuel Langhorne Clemens (Twain) joined the prospecting gold rush in the Nevada Territory and then pivoted to the silver hunt in the Humboldt County in the state's north.

Twain's prowess with pick and shovel was far less successful than with the quill, but he was obviously impressed with the region's auriferous and argentine potential.

"Humboldt County is the richest mineral region upon God's footstool," he wrote in a series of stories called *Roughing It*. "Each mountain range is gorged with the precious ores. Humboldt is the true Golconda [source of wealth]."

Similarly inspired, the ASX-listed PolarX is following up fresh "bonanza" gold and silver grades at its Star Canyon prospect, within three kilometres of the operating, 5 million ounce Florida Canyon gold mine.

A maiden 10-hole, reverse-circulation drilling program has returned exceptional results, including 9.1 metres at 124.36 grams per tonne

gold and 48.6 g/t silver. A sub-section also included a three-metre sample at 371 g/t gold and 143.5 g/t silver. The hole averaged 14g/t gold over an 82m intercept and was still continuing in grade.

"We live in a world with far too much hyperbole, where words like 'magnificent' and 'spectacular' are routinely used for things that are pretty modest," says PolarX chief executive Mark Bojanjac. "But if you are ever going to use 'bonanza', these grades are a good place to start."

PolarX's tenements are now thought to be an extension of Carlin-style mineralisation, which hosts several of the world's largest gold mines including Newmont Corp and Barrick Gold's mega Carlin Complex.

"But the interesting thing is, we are not where the government and others have traditionally mapped it. We are a little off that locale on ground unworked for a century."

Bojanjac says it's quickly become evident that the newly discovered high-grade veins are likely to be replicated, often under cover.

"We didn't expect to see high-grade veins of this width and tenor where we drilled," he says. "We think this one could extend hundreds of metres."

Despite the outstanding grades, the company's longer-term commercialisation story is more about proving up lower-grade – but high-volume – mineralisation to support a long-term operation.

To that end, PolarX drilled these holes 200 metres apart and saw commercial scale gold/silver in almost every hole. This suggests there's more than just waste rock between the high-grade quartz veins – evidence of a "large low-

"Reports of Mark Twain's death might have been greatly exaggerated but his appraisal of the Humboldt is spot-on."

Mark Bojanjac

grade Carlin-style system with the high-grade veins thrown in for free."

PolarX acquired the Nevada tenements from a local family with the aim of extending its exploration season beyond its Alaskan copper and gold prospects which can only be worked for half the year.

Using the state's 160-year-old, paper tenure system, PolarX carried out extensive due diligence on the asset and performed extensive grid soil sampling "from one corner of the project to the other".

With only a fraction of the anomalies explored, PolarX is set on securing rigs for a further round of drilling.

In Alaska – a few degrees of longitude higher and more than a few degrees colder – PolarX in

February reported assays from its recent drilling program at its Caribou Dome copper project.

Highlights included intervals of up to 15 per cent copper and 19 metres at 7 per cent copper and 11 grams per tonne silver.

Caribou Dome already has a (certified) JORC resource of 85,500 tonnes of copper, at an average grade of 3.15 per cent.

Bojanjac says management is considering the feasibility of joining Caribou Dome (copper) and its Zackly copper, gold and silver prospect into the one operation.


Both are in the Alaskan Range, part of the Pacific Ring of Fire which extends down the American continent.

"We're carrying out metallurgical test work to define a process that could handle both ore types," he says.

In the short term, Bojanjac adds, the new Nevada prospect offers the most immediate upside for money invested "and that's where we will likely devote most of our energies for the rest of the year".

Bojanjac was disappointed about the market's subdued reaction to the bonanza Nevada assays on the day, but says that means there's more value on the table for new investors.

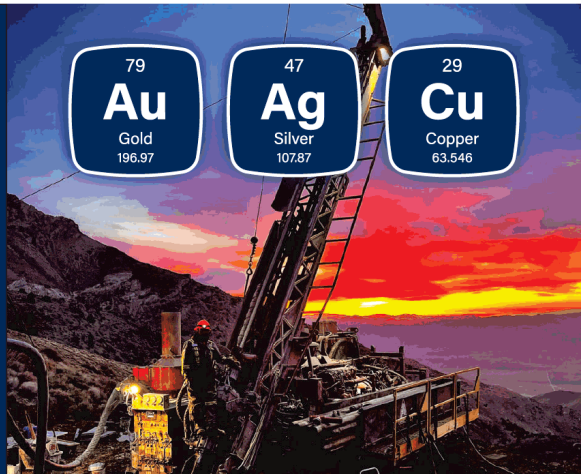
"Reports of Mark Twain's death might have been greatly exaggerated but his appraisal of the Humboldt is spot-on," he says. "The tenure sports a rich history among the highest-grade gold regions in Nevada and, indeed, America and we are the first to systematically explore or drill it in 100 years."



www.polarx.com.au

World-Class Discoveries

Humbolt Range Project, Nevada
Alaska Range Project, USA



AFR541 A030