



GREENLAND POISED FOR NEW MINE STARTUPS

Two exploration projects have in a short time reached levels of feasibility and the starting up of mining activity has been mentioned more and more often. The 'ready to go' signal before application of an exploitation licence is getting closer, judged by press statements from licensees at the former lead-zinc Black Angel Mine ('Angus & Ross') in West Greenland, and at the giant molybdenum deposit ('InterMoly') in East Greenland.

Angus & Ross plc has in a press release dated 17 October 2007 provided the latest drilling update from one of the new discoveries near the old mine, the Glacier discovery, demonstrating the best grade so far with more high grade zinc/lead intersections including 2.13 metres @ 20.1% zinc and 10.2% lead. The Glacier zone is the third largest body of mineralisation ever found at the Black Angel property, after the Angel and Cover zones. It is now known to extend 650 metres along its east-west strike, and this year's drilling has extended the zone of mineralisation roughly 150 metres to the west where it remains open.



The new cable car ready for shipping to Maarmorilik.

The thirty one holes completed this year, comprising 7353 metres of diamond drilling, should increase resources considerably. The Company's consultants Wardell Armstrong International are presently preparing an up to date Resource Statement for the Glacier zone as well as a Bank-



View of the drilling operations on top of the Malmbjerg mountain (Photo:InterMoly).



Underground inspection at the Nalunaq gold mine (Photo: GEUS).

able Feasibility Study pertaining to early pillar extraction from the old Black Angel mine itself.

As picked from a comment (20 September 2007) by Robin Andrews, Chairman of Angus & Ross, "good progress is being made towards the objective of re-opening the mine and achieving production of ore in 2008." The chairman continues (17 October 2007): "In addition, considerable progress has been made in the interpretation of the structural geology of the region so that planning is already underway for a much enhanced exploration programme in 2008. In the meantime work continues towards the installation of a cable car which will enable exploration drilling to be undertaken within the mine and also will provide access for the production of high grade ore from the existing pillars." It will be fascinating again to see cable cars at Maarmorilik

International Molybdenum Plc ('InterMoly'), has commenced feasibility level studies required to make a development decision on the Malmbjerg project in Greenland. This is stated in a press release of 10 June 2007 by Quadra Mining Ltd. of which InterMoly is a subsidiary (82 %). The budget through to the end of the study period is US\$15 million with a completion target for the first half of 2008.

Work includes in-fill and geotechnical drilling, pilot plant testing of a bulk sample, environmental permitting applications, basic engineering and cost studies. Previous exploration identified a NI 43-101 compliant Measured and Indicated resource of 560 million pounds of contained molybdenum and the current in-fill programme is designed to add drill density and convert some material previously categorized as waste to ore.

Paul Blythe, President & CEO comments, "The immediate objective going forward is to confirm the economics of the project, explore funding opportunities and to establish a development strategy. An updated NI 43-101 compliant Technical Report will follow this exercise and will allow us to firm up design criteria and optimise development and execution concepts."

The Malmbjerg project is located on the east coast of Greenland and is one of the highest grade molybdenum projects in the World amenable to open pit mining that is currently being considered for development. The studies carried out by 'InterMoly' before the acquisition proposed a conventional open pit operation with a production rate of approximately 23 million pounds per year of molybdenum commencing in 2011.

The target at Malmbjerg is a porphyry Mo deposit similar in style and morphology to the Climax deposit, Colorado. Deposits of this type are typically large, measuring in the hundreds of millions of tonnes with MoS₂ contents typi-

cally measuring less than a percent of the rock by weight. Late hydrothermal processes related to the intrusions were responsible for alteration and deposition of molybdenum sulphide mineralization. The mineralization occurs as a diffuse zone of molybdenite with accessory tungsten in fractures and stockworks in both the intrusives and overlying sandstones.

Nalunaq Gold Mine takes over full interest of the property

Crew Gold Corporation ('Crew') announced 1 November 2007 that Crew acquires 100% of Nalunaq Gold Mine after an agreement to purchase the NunaMinerals A/S 17.5% interest in the Nalunaq Gold Mine. Consideration includes approximately CAD \$2.5 million for the shares plus repayment of all loans between NunaMinerals A/S and Nalunaq Gold Mine of approximately CAD \$2.2 million. In addition, NunaMinerals A/S will be entitled to a 1.5% NSR royalty on production in excess of 992,000 ounces cumulatively.

On completion, Crew will hold 100% of the equity in the Nalunaq Gold Mine. The mine has been operational since February 2004 and has produced approximately 195,000 ounces of gold at an average head grade of 16.3g/t gold. In October 2006, Crew purchased the Nugget Pond processing facility in Newfoundland, Canada, to process ore from Nalunaq. Current production from Nalunaq is 80,000 to 90,000 ounces. Jan Vestrum, Crew President and CEO commented, "I am pleased to announce the successful conclusion of negotiations with NunaMinerals A/S. This transaction enables Nalunaq and Nugget Pond to be operated with maximum synergies and provides longer term benefits to Nalunaq and Greenland. With a strong present gold price and positive outlook for gold we believe this is an excellent transaction for Crew Gold."

The Nalunaq resource is a narrow vein deposit consisting of several high-grade "bands" typically carrying grades of gold approximately 30 g/t or higher. Between the high-grade bands, grades can vary between 10 g/t and 20 g/t. In practice this means that the grades achieved on an ongoing basis can vary considerably, but remain comparatively high.

Nalunaq mine performance has continued to improve with the average daily production for the month of September reaching 510 tpd. This exceeds, for the first time, the target of 500 tpd for an entire month. Year to date 101,182 tonnes of ore was mined, an average of approximately 370 tpd.

Shipping of ore to Nugget Pond continued as planned and three shipments totalling 43,317 tonnes of ore were completed to South Brook in Newfoundland, for subsequent road haulage to Nugget Pond. Total ore shipments for the

nine months to September 30, 2007 to Nugget Pond were 116,108 tonnes. At 30 September 2007, 12,582 tonnes of run-of-mine ore was stockpiled at Nalunaq's port in Greenland containing approximately 4,800 oz of gold. In addition, there were 20,758 tonnes of ore containing approximately 8,500 oz of gold at Nugget Pond. Gold sold by Nalunaq during the nine months ending 30 September 2007 were 43,338 oz.

Successful certification audit of the mine operations at Seqi

A **Minelco A/S** press release of 1 November 2007 regarding the company's Seqi olivine mine reports that a certification audit of the quality and environmental control systems at Seqi A/S in Greenland was carried out successfully by SP Certification. The audit which involved the laboratory, harbour, subcontractors, quarry and management, was very successful. No deviations were noted, only four suggestions for improvement were made by the auditor, who was very pleased with the accomplishment and results. SP's recommendation is that Minelco A/S shall be awarded a certificate in accordance with ISO 9001:2000 as well as ISO 14001:2002.

The Seqi olivine mine, situated 90 km from Nuuk, is based on a very large homogenous deposit of high quality olivine, with reserves at least 100 million tonnes of olivine ore. It is operated by Minelco A/S after the opening in 2005. The company supplies minerals and mineral products to the steel industry. Olivine is used extensively as a refractory raw material, as a slag conditioner in blast furnaces and as a tap hole filler in electric arc furnaces.



The DMS plant at Garnet lake installed (Photo:Hudson).

Hudson Resources established DMS plant at the Garnet lake site

Hudson Resources Inc. has recently (12 October 2007) published a number of highlights from the 2007 field campaign in relation to their diamond prospect at Garnet Lake in West Greenland. Highlights resulting from efforts



A typical kimberlite outcrop in the Maniitsoq area (Photo:GEUS).

to follow up on the sensational find of a 2.4 ct. diamond from the site, also reported in *Minex 30* (February 2007).

- On-site dense media separation (DMS) plant has commenced operation.
- A large tonnage of kimberlite has been extracted and stockpiled for processing.
- Drilling continues to confirm continuity of the Garnet Lake dike.

During the summer, Hudson mobilized overland to the site at Garnet Lake two 25 tonne excavators, a Tamrock air drill and a seven tonne primary jaw crusher. Hudson is now well set up to expand the pit area in 2008 and extract additional tonnage from other locations along the Garnet Lake dike as identified by the recent drill program. "Construction of the new "Dense Media Separation" diamond recovery plant has been completed and kimberlite is currently being processed from a stockpile of 300 to 500 tonnes that has been mined and placed adjacent to the plant. The plant has a three-stage crushing circuit with a five-tonne per hour operating capacity. Initial results indicate that a 3% heavy mineral concentrate is achievable. The plant is currently processing around 2.5 tonnes/hr, while generating a 6% concentrate in this early start-up phase. Importantly, having the operating plant and all heavy equipment on site will allow us to hit the ground running in the spring of 2008, when we expect to take a much larger bulk sample as we continue to evaluate the economics of the Garnet Lake dike and surrounding targets."

James Tuer, Hudson President, continues: "The plant is being operated by DRA Americas Inc. which also designed and supplied the plant. Mineral concentrate produced in the plant is being placed in locked containers and will be shipped to Canada in November for final processing and diamond picking. Several hundred tonnes of kimberlite has been extracted from the dike and has been stockpiled outside of the plant for processing. The total amount of material to be processed in 2007 will be determined in the next few weeks prior to the full onset of winter".

Crew Minerals diamond potential in the Maniitsoq area confirmed

Crew Minerals ASA released 3 October 2007 an update for its 2007 diamond exploration activities in West Greenland. The exploration has the following highlights:

- Numerous new kimberlite dyke locations were identified in the Maniitsoq region, and 73 samples totalling approximately 2.3 tonnes were sampled for analysis of diamond content
- It was discovered that the known scattered occurrences of kimberlite dykes in the Maniitsoq region seemingly belong to three distinct dyke swarms
- Each dyke swarm hosts several segments with 2–2.5 m width over several hundred metres of strike length
- The largest dyke swarm is nearly 30 km long

During 2006 and 2007 Crew Minerals was granted three exclusive exploration licenses with a total area of 2,264 km² within the two main kimberlite provinces of West Greenland.

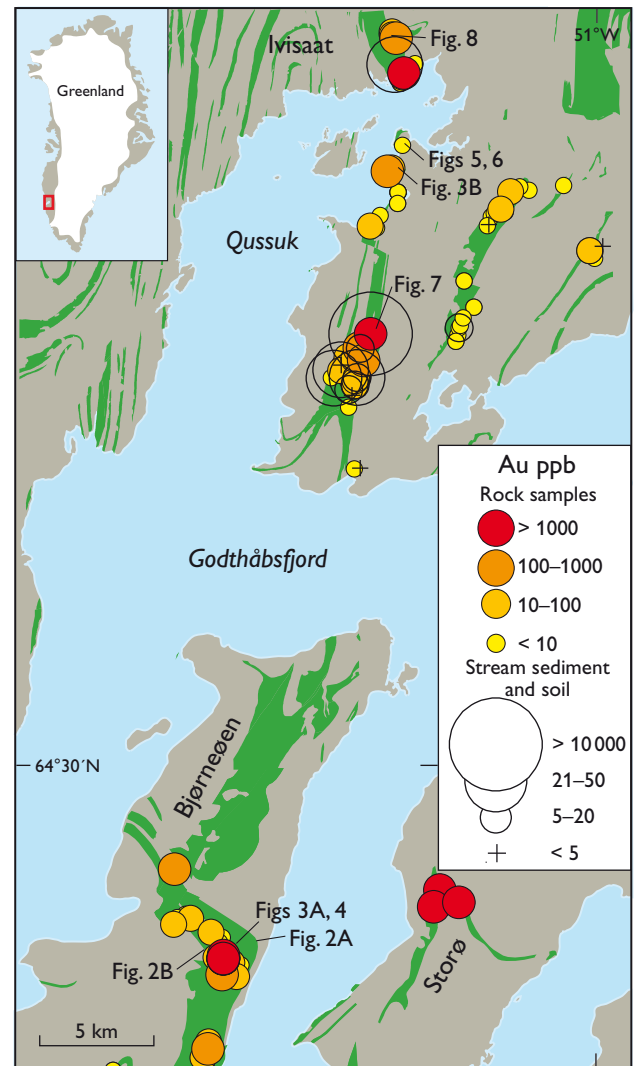
Expectations were raised after a reconnaissance campaign in 2006 showed that 18 out of 20 samples from widely scattered kimberlite dykes throughout the Maniitsoq licence areas contained diamonds (Minex 30). Also, several new kimberlite occurrences were discovered as the result of systematically traversing areas in the 'up-ice' direction of previously reported kimberlite indicator minerals (KIMs) from till samples, suggesting a close spatial relationship between KIMs in overburden and their kimberlite sources throughout the Maniitsoq province.

The 2007 campaign showed that the known Majuagaa –Sillissannugit trend within the northern part of the region constitutes a single, nearly 30 km long dyke swarm, possibly one of the largest kimberlite dyke swarms known in the industry. 1.4 tonnes of kimberlite samples from 45 sites were collected for diamond test work, and a further 0.9 tonnes were collected from 28 other sites in the Maniitsoq region. With the discovery of the many new occurrences there now appear to be three main linear kimberlite trends in the Maniitsoq region, each with two or several parallel dykes arranged in an en echelon pattern. These highly encouraging discoveries suggest that the Maniitsoq kimberlite province is controlled by very large, deep-seated crustal structures.

In addition, new sampling totalling approximately 1 tonne of till materials (glacially transported overburden) for kimberlite indicator minerals was also conducted in a previously little explored part of the Sarfartoq kimberlite province. All kimberlite and till samples will be processed for diamond content and KIMs by renowned Canadian laboratories, and results are expected by the end of 2007.

Greenland Diamonds Ltd. – a new player in Greenland diamond exploration

The diamond exploration interest in Greenland is continuing to expand and is now moving to the South. Newly established Australian Redox Diamonds Ltd. has entered into an option agreement to access data and information for a diamond exploration play in southern Greenland. The company has at previous sampling located kimberlitic indicator minerals indicating that they are derived from diamond stability depth. The samples were collected from streams draining a number of circular lakes and Redox, via a fully owned subsidiary, Greenland Diamonds Ltd, has been granted two exploration licenses covering approximately 500 km². Diamond stability field chrome diopside and pyrope grains were recovered from these samples and only minor follow-up has been undertaken to date. Redox carried-out confirmatory and additional sampling in the region during August 2007.



A map of the Qussuk – Storø area showing the distribution of gold (Map:GEUS).

NunaMinerals collected 4000 mineral exploration samples

NunaMinerals A/S announced 30 October 2007 that the company has shown an increase of 18% compared to the 2006 field work by collecting 4000 mineral samples from eight of the project areas. Many of the samples are drill core or channel samples and thus of high quality. Grass root exploration and prospecting have been carried out in most of the NunaMinerals licence properties, which cover 7900 m².

One of the important work areas is the Storø Gold project, which is situated approximately 40 km north-east of Nuuk. From this project 1816 metres of diamond drilling was completed in 12 holes and visible gold was encountered in six of the holes. The drilling was aimed at demonstrating continuity of the so-called BD zone and includes drilling at high elevation close to the BD zone surface exposure. Furthermore, infill drilling was completed in the Main Zone area. A total of 829 rock samples have been collected for analysis. Best gold values based on standard 30 g fire assays reveals 15 g/t gold over 2 metres and 4 g/t over 5 metres.

Different assay techniques have demonstrated a pronounced nugget effect within the gold mineralised system. In order to quantify the nugget effect, seven micro bulk samples totalling 1200 kg have been collected. These samples have been shipped to the SGS-Lakefield laboratory in Canada, for test processing and the total gold content will be analysed.

It is still NunaMinerals' strategy to seek an international partner for the Storø Gold Project; a partner who can contribute with additional technical and financial capabilities.

At the Qussuk project, which is situated approximately 60km north-east of Nuuk, the company has systematically collected channel samples over some of the mineralised areas identified in previous years. In other prospective areas sediment samples have been collected. A total of 544 rock samples of which 463 are channel samples along with 238 sediment samples have been collected. Best gold values based on fire assays reveals 7.5 g/t gold.

The Qussuk and the Storø areas have for many years also been a target area for GEUS's scientific research. A recent account in the GEUS Bulletin series deals with the discussion of the relation of the gold mineralisations to the Archaean geological history in the region. A map from this account summarises the distribution of gold in the area.

A.A. Garde, H. Stendal and B.M. Stensgaard (2007): Pre-metamorphic hydrothermal alteration with gold in a mid-Archaean island arc, Godthåbsfjord, West Greenland, in: Review of Survey activities 2006, Geological Survey of Denmark and Greenland Bulletin 13, page 37–40.

True North Gems extends Greenland ruby deposit

True North Gems Inc. announced 18 October 2007 that it has completed an additional 21 drill holes at its Aappaluttoq ruby occurrence, and has intersected visible ruby and pink sapphire mineralization in a total of 18 out of 46 holes. This additional drilling has extended the strike length of the Aappaluttoq occurrence to 105 metres, at the Company's 110 km² Fiskensæset Ruby Project.

The distinct alteration zone that contains significant concentrations of ruby and pink sapphire ("Host Zone") was identified in all 46 holes on the Aappaluttoq occurrence. Multiple intervals with visible ruby and pink sapphire have now been documented in eleven of the 18 drill holes that contain the mineralisation.

6 November 2007 the company released information on the opening of an office in Bangkok, Thailand. The new office facility will be used to sort and grade rough gems from the Fiskensæset Ruby Project. The new office facility is located in one of the major centres for the international



Sampling for rubies at one of the targets in the Fiskensæset area (Photo: True North)

coloured gemstone industry, and will be able to utilize the highly specialised and experienced skill set available in Bangkok.

The local polishing factories in Bangkok have extensive experience with the sorting, grading, evaluation and polishing of ruby and sapphire. The office will be located within a well established and secure facility that will also allow for the implementation of professional control and security protocols during the sorting, grading, and processing of True North's bulk samples. "With its proximity to the established markets of Europe and the Arab countries, and the new growth areas of China and India, Bangkok is the international market place for purchasers of rough as well as polished gems" noted Nick Houghton, True North Director.

Ruby and pink sapphires are well known gemstones for use in jewellery. As a marketing effort True North Gems recently displayed new ideas for uses with Greenland ruby and pink sapphire in jewellery.

Ironbark Gold identify new zones of high grade zinc in Citronen Fjord

The new player in Greenland base metals from 2007 **Ironbark Gold Ltd.** reported 12 October 2007 from the company's Citronen Fjord property that new zones of high grade zinc mineralisation have been identified:

- **Beach Zone:** 6m at 7.8% zinc (Zn) and 0.8% lead (Pb) from 108m, including 3m at 12.6% zinc, 1.3% lead (in addition to the historic result of 6.3m at 6.5% zinc, 0.5% lead from 85.15m)
- **Discovery Zone:** 5m at 7.2% zinc from 82m, including 2m at 12.1% zinc (in addition to the historic result of 16.6m at 10.6% zinc from 18.2m)

The Citronen Zinc Project was discovered in 1993 by Platinova A/S and was the subject of campaigns of investigation until 1998 and at a time of exceptionally low base metal prices (Zinc ~US\$0.40/lb). Comparatively zinc

An item from a new sample collection of jewellery made of Greenland rubies and sapphires (Photo: True North)



As is customary the opening address by the minister in charge of the mineral resources sums up the importance of increasing the mineral exploration and the exploitation. At the end of 2006, a total of 40 exploration licences, 14 prospecting licences, and two exploitation licences for hard minerals had been granted. This is the highest level of activities since 1997. The exploration has been particularly directed towards gold, molybdenum, zinc, nickel, rubies, zirconium and diamonds. The high level of activity has increased even further in the first months of 2007.

The BMP Annual report is available from the BMP homepage at:

prices since mid 2006 peaked at US\$ 2.00/lb and with a 2007 level somehow stabilising around ~US\$ 1.50/lb. A target of at least 20 Mt to 25 Mt was estimated by Platinova A/S based on surface mapping and gravity data to date within the main project area. Ironbark considers in its first year of operation that Citronen Fjord offers; Large scale + Long life + Low cost + Low risk + Exceptional exploration potential.

The company reported 22 November 2007 also that the general resource base for the Citronen Fjord property now is calculated to 72.5 Mt @ 4.2% Zn, 0.5% Pb (3% Zn cutoff).

Ironbark has secured more than 1,700 km² of exploration ground surrounding Citronen, offering unfettered access to further exploration success. Ironbark owns several other prospective base metal and gold projects in North and North-East Greenland, which it plans to pursue progressively.

www.bmp.gl/administrtion/periodical_shelf/Aarsberet2006_UK_inet.pdf

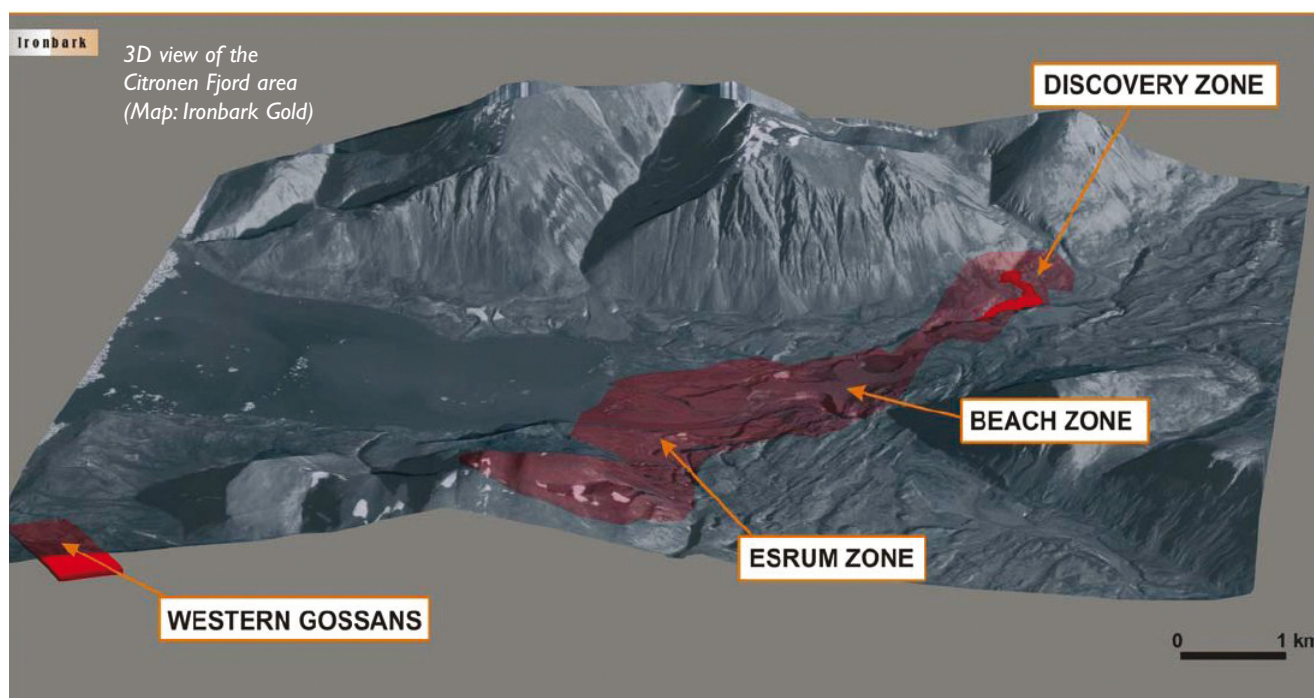
Useful reading... 'Review of Survey Activities 2006' published

The 'Review of Survey Activities' is a special GEUS publication within the bulletin series. It contains articles on activities carried out in 2006, written in a style that enables others than professionals to get an all-round impression of recent geo-research. Nine out of 17 papers present samples of the current activities in Greenland.

Review of Survey Activities 2006: Geological Survey of Denmark and Greenland Bulletin 13, 78 pages.

Annual Report 2006 released

The Greenland Bureau of Minerals and Petroleum's annual report 2006 was released during the summer as a 16 pages booklet with informative and fact filled overview of the year's achievements.





Update on mining related educati- ons in Greenland

An advisory board of Contracting and Mining was established in 2006. This board focuses on recruitment to the mines and the continuous enhancement of workers' qualifications, whereby a high accessibility to qualified Greenlandic workers can be obtained.

One of the more significant programmes under development is the Mining and Contractor School in Sisimiut, which is scheduled to open in 2009. Other programs will also be introduced in the coming years.

In order to secure that students and employees obtain skills that match industry needs, all government programs are developed in close dialog with the industry, primarily through The Advisory board of Contracting and Mining

Greenland welcomes Mineral Exploration Roundup 2008 in Vancouver

The BMP tradition to exhibit at the yearly Roundup trade show in Vancouver, Canada, will continue in 2008. You are invited to visit the Greenland booth (C11/C12), on January 28 to January 31 2008. The exhibition and material will focus on mining and exploration, especially, gold, base metals and minerals from the magmatic environment. Stop by and meet the experts, who will be ready to tell you about geology, licensing and logistics in Greenland.



Industry, municipal and government representatives discuss various aspects of the possible reopening of the Black Angel in a subgroup at the 2007 follow-up meeting in Uummannaq. Photo: Keld Jensen.

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GEOLOGICAL SURVEY OF DENMARK AND GREENLAND (GEUS)

Øster Voldgade 10 · DK-1350 Copenhagen K · Denmark
Tel: +45 38 14 20 00 · Fax: +45 38 14 20 50 · e-mail: minex@geus.dk · homepage: www.geus.dk

BUREAU OF MINERALS AND PETROLEUM (BMP)

Government of Greenland · P.O. Box 930 · DK-3900 Nuuk · Greenland
Tel: +299 34 68 00 · Fax: +299 32 43 02 · e-mail: bmp@gh.gl · homepage: www.bmp.gl

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