



# EXPLORATION DRILLING

**We have a number of drill rigs operating on the surface at various locations in and around Waihi. We also have drill rigs working underground. What are they doing?**

**We are looking for gold deposits to extend the life of the mine.**

Exploration is an on-going part of our business. It takes many 'hits' from a large number of drill holes to determine the grade and extent of an ore deposit and work out whether it can be mined. Think of exploration as being a bit like digging up potatoes, but

you have to do it with a long stick instead of a spade. If you poke the stick into the ground and don't hit a potato on your first attempt, does that mean there are no spuds in your garden and you should stop? Or, if you poke your stick into the garden three times and hit a potato each time, does that mean your entire garden is full of potatoes? That's what exploration is like, but with very tiny potatoes which you think might be buried very deeply, or which may not be there at all. As an example, it took forty exploration drill holes to 'find



all the potatoes' and confirm the extent and grade of the main section of Correnso.

When we conduct exploration drilling from the surface the first 100 metres, sometimes more, is often of no interest to us as it does not contain mineable quantities of gold. We have the expense of drilling through this ground to access the target area. If we can reach the target areas from underground it is cheaper and quicker as we are beginning the hole at depth. There's also another benefit. Drill holes started at the surface

are angled so that they intercept the vertical vein systems prevalent in this area. Drilling from underground means that we can drill shorter holes at right angles to the vein systems to intercept them.

When we say we have had a 'hit' we mean that we have drilled into an area that, when the core is retrieved and analysed, shows significant mineralisation. If we get a 'hit' we then need to decide whether that level of mineralisation makes it worthwhile continuing to drill in that area.

## CAMP LIFE

**Ever wondered why there is a blue and yellow helicopter that flies over Waihi each morning? Well, it is us and it's doing a very important job.**

North of Waihi we are exploring for high grade ore deposits capable of being mined by underground methods with a minimal surface footprint. Four or five workers are flown in to the drill site by helicopter, accompanied by food and provisions. Staff live at the site for up to 14 days at a time. The drill rig operates 24 hours a day with two workers on each 12 hour shift and one staff member 'floating'. They are in constant contact with staff in Waihi through satellite phones and RT radio.



There are some home comforts. Generators provide power for cooking, lighting and hot showers. Weather permitting, the helicopter flies in fresh meat, vegetables, drinking water and other supplies and core samples are flown back to Waihi.

Typically a drill site covers an area approximately 10 metres by 15 metres. Water and drilling fluids are contained within the site. When drilling work is finished all equipment is removed and the site is rehabilitated. Everything that was taken to the site is returned to base. The camp and drilling site is returned to a state at least the same as it was before work began and enhanced by extra plantings.

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## KAURI Dieback

**Kauri Dieback is threatening kauri trees with extinction.** The disease can be spread by minute particles of soil, which is why it is important that anybody who visits the bush thoroughly cleans their footwear and gear every time they enter or leave a forest area.

Our staff disinfect their equipment and boots each time they enter or exit the bush, as well as while they are on site and moving from one area to another. Any equipment we use, including that flown in by helicopter is also disinfected.

