

# Heightened interest follows Castlemaine discovery

Excitement is building around Kalamazoo Resources' maiden exploration program at the historic Castlemaine goldfield in central Victoria.

BY BARRY FITZGERALD



**K**icked off in November, Kalamazoo's 10,000-metre program will involve 25 diamond holes with an average depth of 400 metres.

Kalamazoo secured control of the goldfield last year and has since increased its coverage to the entire field – the third-biggest in Victoria behind Bendigo and Ballarat, with a production history of 5.6 million ounces.

Kalamazoo Chairman and CEO Luke Reinehr says it's 'not often you can pick up an entire goldfield that produced 5.6 million ounces, plus a massive data base from previous explorers, and a complete diamond core farm.

'If this was in the Western Australian goldfields, it would have had thousands of holes plugged into it by now.'

Kalamazoo has resisted the temptation to rush into an exploration program in response to the heightened investor interest in Victoria's high-grade goldfields.

This heightened interest is a response to elevated gold prices and the multimillion-ounce Swan Zone discovery at depth by Canada's Kirkland Lake Gold at Fosterville, near Bendigo, 40 kilometres from Castlemaine.

'Everyone has been waiting for us to go drilling. But we wanted to ensure that we would be doing it in a smarter and different way to previous explorers to give us the best chance of success,' Reinehr says.

The latest in exploration science and technology is a feature of Kalamazoo's maiden drilling program.

'In the past three months, we completed very extensive induced polarisation (IP) and ground magnetics surveys over 18 prime target areas, and now we are going to be drilling a couple of them,' Reinehr says.

'The IP and ground magnetics have come up really well. The only other IP survey work at Castlemaine was back in the 1960s by the government.

'The view then was that it was highly prospective and that it should be followed up. It never has been up until now, and we're talking 60 years later.

'We think that a lot of the "bonanza" gold that occurred previously had just missed the IP anomalies that we have identified. It has given us an enormous amount of encouragement. We are seeing structures all through there,' Reinehr says.

Kalamazoo is fully funded for the maiden drilling program, thanks to the \$7-million sale late last year of its Snake Well gold project in Western Australia, of which \$5 million is to be paid over the next 12 months. It also raised \$1.2 million from a small capital raising in June.

The company's Victorian footprint has expanded beyond the Castlemaine goldfield to include a big ground position to the south of the Maldon gold mine, about 20 kilometres from Castlemaine. **AR&I**