

Looking for monsters in Mozambique

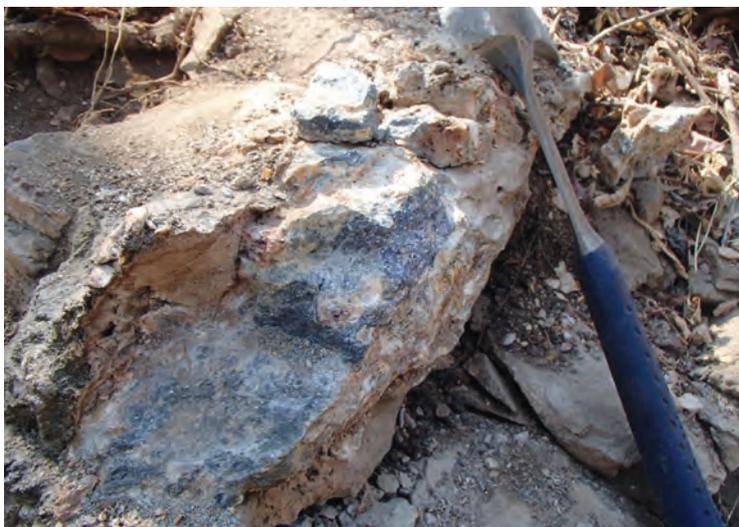
While other juniors are fighting for survival, Metals of Africa Ltd is thinking big in Mozambique.

The prize for the explorer will be the discovery of very large, very rich Broken Hill-type lead-zinc-silver deposit.

Broken Hill is the largest sulphide orebody on the planet and has been producing continuously for around 130 years. Broken Hill-style deposits such as Cannington in Queensland and Gamsberg in South Africa have proven valuable operations for majors such as BHP Billiton Ltd – which is of course named after the Broken Hill operation, although that is now operated by Perilya Ltd – and Vedanta Zinc Ltd.

Metals of Africa now has the largest landholding in Mozambique and raised \$2.67 million in October to fund its continuing efforts. Company director Cherie Leeden told **Paydirt** the company's Rio Mazoe project looked like a textbook example of the right geological context.

"Broken Hill-type deposits are a very specific beast – they have to be of the right age and the right structure and the right metamor-



Metals of Africa has discovered outcropping lead, silver and zinc with grades as high as 75.7% lead and 229 g/t silver from soil sampling on its Rio Mazoe project in Mozambique

phic grade, and this area ticks all the boxes," she said.

Rio Mazoe was first found by BHP Billiton in 2001 based on high-level scientific exploration targeting, but BHP Billiton walked away from the project when it shut down its project-generating division. The next owners of the

tenements did nothing with BHP Billiton's data or the tenements, and the information passed on to Metals of Africa. Leeden said the data showed that Rio Mazoe had the right geology and the company now needed to prove the concept.

"There is a really rare mineral called gahnite, and it has been found at every single Broken Hill-type deposit. BHP Billiton used its laboratory in Melbourne to identify the right geology at Gamsberg in South Africa, which is now producing, and Rio Mazoe was the second target in Africa. They spent \$20 million on a helicopter survey, they were doing stream sampling looking for these minerals, so they came out with this one, but luckily for us they didn't advance it because they shut up shop," Leeden said.

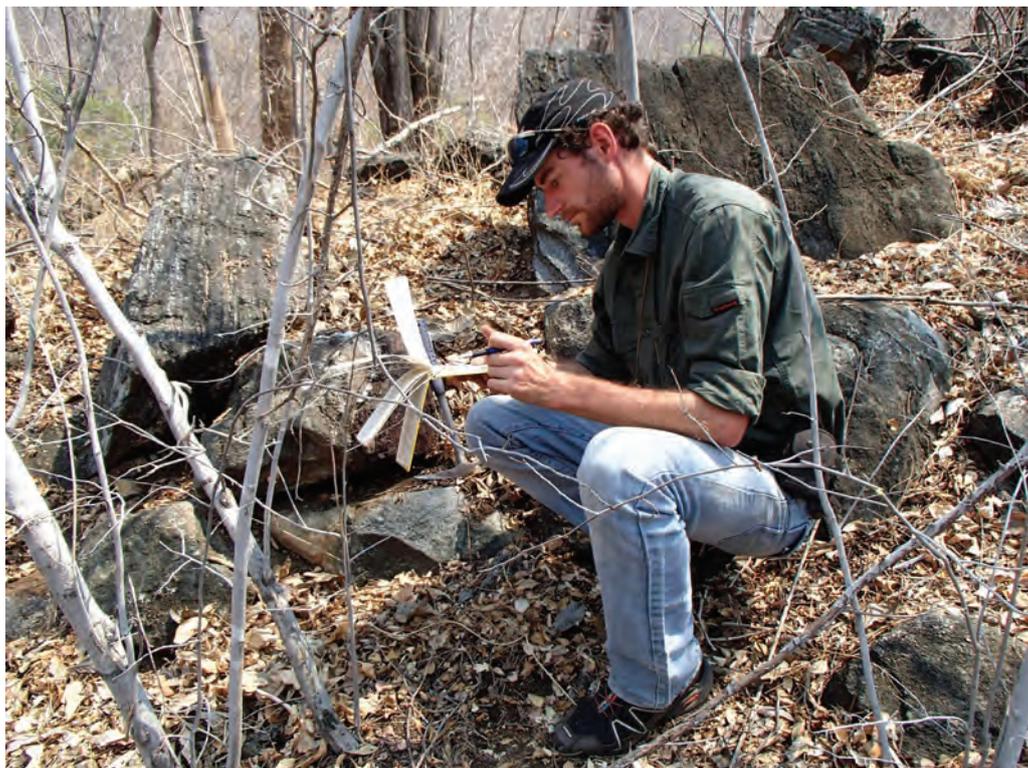
So far, exploration at Rio Mazoe has been extremely encouraging, and the company's first target is the Rulio prospect. Soil sampling at Rulio revealed a large lead anomaly and follow-up geological mapping resulted in the discovery of an outcropping lead, silver and zinc deposit with grades as high as 75.7% lead and 229 g/t silver from soil sampling.

"The first drill programme we did in March at Rulio intercepted very high-grade – over 20% – combined zinc, lead and silver over a 1m interval. That's too narrow to be economic, so we're looking for something more like 4m, and that's something you could make money from," Leeden said.

"Our current drilling campaign is looking for the source of the mineralisation which we intercepted in that first programme. Mapping at the Rulio prospect has indicated the area has gone through a lot of alteration, and that makes it interesting as a potential source. The model really is textbook and now we just have to find the source within our tenure."

The company plans to drill a number of 300-400m deep holes and then follow up with down-hole EM surveys.

"According to our geophysicist, the EM can see about 300-400m either side of the hole at 400m. So if we miss the source with the drilling we'll hopefully see it with the EM, because lead is a strong conductor."



Exploration manager Rob Heasop on site at Rio Mazoe

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Metals of Africa director Cherie Leeden discusses drilling results with the exploration team on site

25m infill soils, so I can distinguish the strong targets from the stratigraphic targets. That will keep us busy," Leeden said.

The company has around 50 more licence applications in Mozambique and Leeden said the plan was to winnow through these as they were granted by soil and stream sampling to decide which to pursue and which to jettison.

"It will take us around \$25,000 to get each licence to a decision point to drill or relinquish, so we plan to tackle about eight a year."

The company also has the Tanga porphyry gold-copper project in Tanzania, which may be up for a JV deal.

"We've got a number of rock chip samples from Tanga going over 1 g/t gold. The grade is there over an extensive area, and we have a 6km-long anomaly to chase up. But the nature of copper porphyry projects is that they are often marginal in grade, and this is going to require a lot of money to chase up, so I'm inclined to consider a JV on this project," Leeden said.

As for Rio Mazoe, Leeden said there had already been some interest from major companies in the project, but Metals of Africa wasn't looking to JV it for now.

"We're trying to keep Rio Mazoe 100% ours as long as we can. But if you have a good project, you can find a good partner if you need one."

– Kate Haycock

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The company has also locked up tenements neighbouring Rio Mazoe through a JV with AIM-listed Baobab Resources Ltd, and intends to follow up a further 50 or so lead

anomalies there next year. Metals of Africa can earn up to 80% of the JV tenements by 2016 by spending up to \$1.2 million on the ground.

"Our problem is that we have too many targets, so now we have our team doing 25m by

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