

# Banfora gold starts to shine

Gryphon Minerals is approaching the new year with a resolution to increase the resource of its flagship Banfora gold project in Burkina Faso, western Africa. By **Wally Graham**



Gryphon Minerals managing director Steve Parsons.

The start of a new year is always filled with expectation and optimism as we approach the oncoming months looking to build on the foundations of all the projects and endeavours we laid throughout the previous year.

Gryphon Minerals is one company that is licking its lips with a bit more anticipation than many other junior exploration plays following a year in which it announced its maiden JORC resource at its Banfora gold project and commenced exploration on its significant sulfide nickel joint venture (JV) with Minara Resources in Western Australia.

The maiden global resource estimate of 6.1 million tonnes at 2.1 grams per tonne for 410,000 ounces of gold at shallow depth (93% less than 100m below surface) was based on drilling carried out on the Nogbele and Fourkoura prospects of the Banfora gold project.

The company views this maiden

resource as an interim estimation with significant potential to define further shallow ounces from the ongoing 15,000m reverse circulation (RC) drilling programs at Nogbele and Fourkoura, especially since mineralisation at both prospects remains open.

Significant drill hits outside the Nogbele resource of 16m at 3.65gpt gold from 20m, 16m at 2.11gpt gold from 4m, and 28m at 1.41gpt gold from 24m provide targets for immediate follow-up to test initially for shallow extensions along strike and later at depth.

"The Burkina Faso project is obviously the key focus for us and since we came out with the maiden resource statement we have basically had two rigs over there that have been drilling non-stop," Gryphon Minerals managing director Steve Parsons told *RESOURCESTOCKS*.

"The idea being to get as much drilling

done as we could before the Christmas break and then start up again in January.

"Hopefully we have enough drilling completed to put into resource calculation and then have something ready for the first quarter of 2008."

The Banfora gold project is located in the southwest of Burkina Faso in a major gold producing district that is also host to the world-class gold deposits of Tongon (3.2 million ounces of gold), only 30km to the south; Syama (5Moz mined and 6.5Moz in resources), 50km to the west; and Morila (6.5Moz), 75km to the northwest. The project area contains five exploration licences covering a total of 1150 square kilometres and encapsulates the entire "Loumana" Birimian greenstone belt within Burkina Faso.

Burkina Faso is a country that has seen a great deal of change, especially over the last couple of years, in regards to its

A group of Burkina Faso workers with Steve Parsons.





A Gryphon drill rig in Burkina Faso.

mining industry. Having previously only had one operating mine in its history, the country has rewritten its mining code, based on other countries such as Australia and Canada, and as a result has become a centre for mining activity inundated by more than 30 foreign mining companies, including the majors looking to set up in the country.

The policy of the Government at the last election was for the establishment of five new mines in five years. Canadian companies High River Gold Mines and Etruscan Resources have now got mines up and running this year, with a third mine by another Canadian play, Orezone, soon to be in operation in the north of the country. Australia-based company AIM Resources should also have its Perkoa zinc mine up and running shortly.

"The exciting thing about Burkina Faso is that there was nobody there previously and all of a sudden there is a big rush on," Parsons said.

"When we first saw the Banfora project two years ago the gold price was doing well, but it wasn't racing away like it has been of late. Our board of directors are pretty bullish in regard to gold and we decided at the time, gold was where we want to be.

"We originally saw the property when it was advertised on the internet. We went over and had a bit of a look around and we just couldn't believe it. It was like walking around the Laverton or Kalgoorlie districts 20 years ago.

"We took some soil anomalies, rock chips and drilled a couple of holes into it and it just reeked of having huge potential so we literally jumped on it and went from there."

The Banfora project has also been beneficial to Gryphon in attracting several high-profile financial and mining institutions with such names as Newmont Mining, Genesis Fund, Macquarie Bank, RMB

Resources, Standard Bank, Contango Fund and Phoenix Gold Fund being added to the shareholder registry.

"The shareholder base is very important for us," Parsons said.

"When we started out our registry was made of mum and dad investors, mainly from Sydney and Perth, but in the last year and a half, since we picked up the Banfora project in Burkina Faso, that's all changed.

"Now we have some big international exposure, which has taken us from being a small Australian based explorer to a company with a very good property in western Africa that looks as though it is going to yield and come out with potentially a major discovery.

"So our goal now is to get the Banfora project to 1 million ounces as quickly as possible and to have that as shallow ounces. Thirty to 35 percent of the share register at the moment is from the northern hemisphere so we are hoping to increase that as well.

"If we can get 50 percent of the register from the northern hemisphere and an initial resource of 1 million ounces, we might possibly look to getting a dual listing on the TSX as the way to go."

In Australia Gryphon has entered into farm-in and joint venture agreements with major nickel producer Minara Resources to primarily explore for sulfide nickel mineralisation on Gryphon's Collurabbie and Mount Rankin projects, located in two highly prospective nickel regions of Western Australia.

Under the terms of the JV, Minara must fund \$5.5 million in exploration over four years to earn 70% equity in nickel and base metal minerals and 60% on all other commodities, with minimum expenditure of \$1.5 million required within the first 12 months before it can withdraw.

No equity in the project will be earned by Minara until the \$5.5 million exploration funding has been spent, with Gryphon

manager and operator of the project until a decision to mine has been made.

The Collurabbie project covers approximately 270sq.km and hosts both the northern and southern extensions of the sequence of ultramafic and mafic rock types that host the mineralisation at the BHP-Falcon Minerals Collurabbie JV Nickel Discovery.

"The Collurabbie nickel project is a big joint venture and another key project for us," Parsons said.

"We started diamond drilling there in mid-November and on the first of the six targets that we drilled we hit massive sulfides. We have still to drill the remaining five targets."

The year ahead looks to be a busy one for Gryphon Minerals as it focuses upon aggressive exploration through drilling programs.

This will include a regional soil geochemical program at the Banfora gold project in western Africa; and a ground electro-magnetic program, rotary air blast (RAB) and RC drilling as well as a soil geochemical program at its Collurabbie and Mount Rankin JV projects in Western Australia. **RS**

## gryphon minerals at a glance



Source: Iress

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### Directors

Mel Ashton, Steve Parsons,  
Didier Murcia, Kent Hunter

### Market Capitalisation

\$52.16 million (at press time)

### Major Shareholders

HSBC Custody Nominees 18.52%

Newmont Capital 8.61%

Macquarie Bank 4.92%