

# AWAKENING A TUNGSTEN COLOSSUS

Locking on to a potentially sizable tungsten project in New Zealand may prove the making of Siburan Resources. **Alex Paull** reports

**G**IVEN THE LACK OF sizeable tungsten deposits outside of China, it is important for companies to make the most of any tungsten opportunities available, and junior Siburan Resources is doing just that. It is now powering ahead with its potentially large Kirwan tungsten project in the west coast of New Zealand's South Island.

There is a chance that Kirwan could potentially host the next major tungsten deposit, given the possible size of the mineralisation, and Siburan jumped on the opportunity by kick-starting drilling in January.

Siburan managing director Noel Ong said the company was beyond the discovery stage of exploration and, with historical data and high-grade rock chip samples pointing to a large ore body, its prospects were strong.

"Past rockchip samples have been identified as high grade, up to 18%, and the actual discovery is in the past.



Drilling at Siburan's Kirwan project in New Zealand.

So we are at the stage where we would look at hoping to define the source and outline the resource over the next 12-18 months," Ong said.

Siburan listed in May 2010 on the back of a gold and uranium project which Ong said was to be tested. But after it fell through, Siburan actively sought a potential company-making project.

"We looked at some of the tungsten, and we were looking at tungsten projects down further south, and we were even in the process of negotiating but that didn't happen," Ong said.

"We were in the space of tungsten and a search came up that this was vacant. We pegged the ground and I guess that's how we came across the project."

And the rest, as they say, is history, for Ong believes the potential for Kirwan could be very significant.

"Immediately, we have an area which is about 1500m by 800m which we deem as our core area, and a lot of this is based on historical data, and what we've done in terms of our own mapping and our on ground prospecting," Ong said.

"There's a shear that's about 33km, the Drysdale Creek shear. Along this alignment we're seeing anomalism of a large and a small scale. We like to think that this shear could be something similar to that seen in the Hunan province in China, where you see a myriad of these tungsten prospects."

A reinterpretation of historical geophysical data was conducted, which highlighted what looked like two dilational zones in the area. One zone is where the Globe mine is located and houses mineralisation of 1.2 million ounces and the other is

where Kirwan is located.

"Although we don't know if we've got a deposit there or not yet, it does show that there is some mineralisation which has come up, but hopefully, with our next phase of drilling we can match something up there," Ong said.

With such high hopes for Kirwan, Ong said it was a relief to finally commence drilling to test the project's full potential.

"We've been working very hard to get this happening," he said.

"I think Kirwan has great prospects and a lot of people who understand the west coast geology and know this area are really awaiting our drilling results, because the only missing element here is probably some drilling results," Ong said.

"Anyone who has seen what we have put up there can see that there's a lot of smoke. We're just trying to find the fire."

The project laid relatively dormant for a number of years, with only five drill holes in the past 20 years until Siburan picked it up. But Ong said it was imperative to test the project's company-making qualities.

He said there were several factors that made a company-making project, and the fact that tungsten was a very rare and sought-after mineral was one major component, with probably only one or two working mines outside of China delivering strong output.

Another factor that highlights Kirwan's company-making qualities is its size.

"As we speak, we've got mineralisation running in line for about 4.5km. We've got an area which has got 1.8km in strike length, where you are seeing tungsten mineralisation and gold in certain aspects, in a fairly dominant way. So without a doubt it's



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SIBURAN RESOURCES

got all the facets of being a company-making project,” Ong said.

Siburan is not the only company to recognise Kirwan’s quality.

In 2008, Auzex Resources made the comment that it saw Kirwan as potentially the third largest bulk mining-type style deposit, and Ong said only time would tell as to how true that would prove to be.

On top of its tungsten potential, Ong said, local history pointed to the possibility of gold as well.

“There’s an area called the Kirwan’s Reward, which has historical scavenging of gold in high, double-digit kind of grades. And there were soil samples performed by Anglo American gold in the 1980s which found an anomaly just north of Kirwan Hill, and there’s a very strong association with tungsten and gold in New Zealand,” Ong said.

Kirwan and the west coast mining area is bounded by the Alpine Fault, which runs effectively northeast/southwest along the south island. It attracted the likes of CRA, which did an extensive search for tungsten in the 1970s and 1980s.

Ong said there was a lot of known tungsten in the area, so prospectively Siburan appeared to be in the right address.

On top of the local mineralisation, Kirwan is situated 10km from Reefton, a small town with a strong mining background.

“It’s got everything you need there in terms of an operation, including power and water, and when this becomes a sizeable mining project it’s probably the best place you want to

be,” Ong said.

“You’re in a mining area. Everyone understands exploration and mining. I believe this is prime real estate in terms of infrastructure and mineralisation.”

Ong admitted that junior exploration was primarily an exercise of trial and error, but given the large potential for both tungsten and gold, this was the type of project which could transform the company.

“The fact that, first and foremost, when we look at the geological map and we combine all the historical data and the consistencies, it’s simply a huge project and this could potentially be worth billions,” Ong said.

However, with \$3.5 million in the bank, Ong knows it is a drop in the ocean for future costs, and he said it was important to maximise Siburan’s current funds and its future funding.

“It is critical that we maintain our focus on what we want to achieve, and having it as a lifeline is very important,” Ong said.

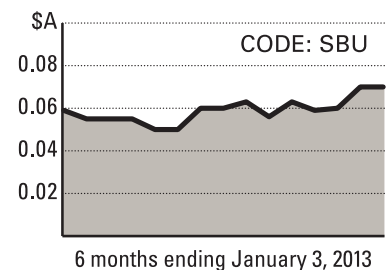
The Kirwan story continues to grow, with the discovery of three historical adits late last year, which are near a possible source of mineralisation.

“These are very important. One of them is about 90m long, so it allows us to get in there and have a look at the geology and map the geology, and almost do surface sampling, but underground,” Ong said.

Plenty of work has been done to fire up Kirwan, and if Siburan receives the right drilling results it will be a platform to show the investment world that it is a very bankable project.

One of the historical adits discovered by Siburan at Kirwan.

## SIBURAN RESOURCES AT A GLANCE



### HEAD OFFICE

Suite 9, 18 Stirling Highway,  
NEDLANDS WA 6009  
Australia  
Ph: +61 8 9386 3600  
Fax: +61 8 9386 3900  
Email: info@siburan.com.au  
Web: www.siburan.com.au

### DIRECTORS

Noel Ong, Kah Hui Tan, Guang Wei Zhang, Hao Ming Peng, Anthony Ho, Chiong Ong Tiong

### MARKET CAPITALISATION

\$A7.3 million (at press time)

### QUOTED SHARES ON ISSUE

103.9 million

### MAJOR SHAREHOLDERS

Hunan Australia Mining 19.83%  
Silver Capital 12.74%  
Joefeld Investments 12.51%  
RH Resources 9.63%

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