

ETHIOPIA



Agusha–Gumu Dunga Gold Project

IOG earning up to 70% from ARDCO (Private Ethiopian owned company). Agusha-Gumu Dunga licence (MLN-35-EL-95) is situated 5km northwest of Asosa town, the administrative capital of the Benishangul-Gumuz regional state of western Ethiopia. The licence has an area of 19.76km² and is located within a greenstone belt with known but underexplored gold mineralization.

Four “target areas”, comprising shear-hosted gold mineralisation have been defined at Tsilfa, Hulook, Kushmangal and Gumu Dunga. They have been subjected to initial and follow-up detailed early-stage exploration. Geochemical soil results have outlined significant Au anomalies.

The Gumu Dunga gold prospect consists of intensely veined and altered rocks over an area 2,900 metres long by 350 metres wide, defined by loam, soil, rock chip and trench channel sampling and occur in association with sulphide mineralisation.

In addition, ARDCO completed an IP geophysical survey over the anomalous zone with numerous zones of anomalous chargeability and resistivity being detected, coincident with the 2.9km long soil anomaly. These results, along with gold grades of up to 31.75 g/t that have been returned from chip samples of quartz float within this large gold-in soil anomalous zone clearly warrant further investigation.

During 2008 IOG conducted a preliminary shallow three-hole diamond drilling program at the most southern end of the soil anomaly beneath the promising trench results. The drilling intersected a well-developed alteration zone with limited quartz veining and minor gold. Further drilling and trenching is required to test the anomaly along its strike which is opened ended to the north. Additional soil sampling should further extend the strike of the potential horizon.

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Further RC drill testing of the known anomalous zone and extension of the open-ended soil geochemistry anomaly to the north is planned.

Table 2. Selected drilling and trenching results at Gumu Dunga.

Feature ID	Depth from (m)	Depth To (m)	Interval (m)	Gold (g/t)
GDP1	29.14	30.49	1.35	1.36
GDP1	91.81	92.81	1.00	6.95
GDP3	29.93	36.10	6.17	2.08
Tr-1	24.00	26.00	2.00	1.31
Tr-2	6.00	7.00	1.00	3.68
Tr-2	11.50	20.50	9.00	3.24
Tr-3	14.00	15.40	1.40	2.45
Tr-3	18.40	19.40	1.00	1.31
Tr-4	16.00	19.00	3.00	1.71
Tr-5	0.00	1.00	1.00	7.93
Tr-5	6.00	9.20	3.20	2.66
Tr-5	12.20	23.10	10.90	2.84
Tr-6	7.60	8.60	1.00	1.00
Tr-7	3.00	6.00	3.00	1.13
Tr-19	10.00	11.00	1.00	1.70
Tr-21	5.80	6.80	1.00	1.72
TR-24C	1.00	3.00	2.00	1.36
TR-25	44.10	46.00	1.90	5.10
TR-27	37.00	39.00	2.00	1.31
TR-27	52.00	53.00	1.00	6.20