

# Aztec fitting model

FOR a company floated as a gold explorer, Terrain Minerals is just starting to come on the radar as a potential nickel play.

Using some sophisticated computer modelling, the Aztec Dome located further around Lake Frome from Kambalda in the WA goldfields is throwing up some interesting results.

Using a combination of magnetic and residual gravity measurements to produce a three-dimensional analysis of the dome, it is showing similar attributes to the famed Kambalda Dome to the west.

Kambalda was Australia's first major nickel town for Western Mining Corporation and spawned eight major nickel mines.

"We have compared our analysis to

the historic drilling results (at Aztec) and it fits perfectly," said Terrain CEO Keith Wells yesterday.

Further electromagnetic testing will now be carried out so that prospective drilling targets can be identified.

So far the promise of some nickel has not led to any re-rating of Terrain shares, which have languished in common with many gold explorers.

That may change if the explorer can firm up the prospectivity of the Aztec Dome to attract a partner to share drilling costs.

On the gold front, Keith said the company has been raising measured, indicated and inferred gold resources in its Bundarra project to 321,200 ounces at an average grade of 2.0 grams per tonne gold.

He is hoping to keep growing that number to somewhere between 400,000 and 600,000 ounces through further drilling.

Although gold prices have stayed firm in Australian dollar terms, Terrain's gold is valued at just \$7.40 per ounce, which puts it at the bargain basement end of emerging gold producers.

Given the state of the market for raising capital, Keith is looking to perhaps sell one of the company's deposits such as Coogee to fund a more aggressive exploration effort.

He is also looking at pit optimisation for the Wonder North gold deposit which Terrain bought from the collapsed Sons of Gwalia.

Terrain shares closed yesterday up almost 9 per cent or 0.4¢ at 4.9¢.