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Connemara's Latest Drill Results Open Up A Welter Of Possibilities For The Development Of A New Zinc Project In Limerick

By Alastair Ford

John Teeling's in a lively mood when he gets onto the phone to Minesite for a chat about the latest drill results from his zinc company [Connemara Mining](#). In part, that's because he's phoning from his very own whiskey distillery, where he's just concluded a successful meeting of shareholders, all cheered by the fact that the distillery has doubled its profits. Still, those that know John will know that diet coke's his tiple of choice, so in no sense is it the whiskey talking when he begins to talk of Connemara's latest drill results on its Stonepark licence in Limerick creating "geological excitement". Actually, the drill results in question have created excitement all round, both in geological circles and on financial markets, where Connemara's shares rose by over 60 per cent to 24.5p in the two days of trading following the announcement.

And no wonder. At 7.2 metres at 13.07% zinc and 2.23% lead, within which a higher grade 3.75 metre intersection registers 17.06% lead and 3.5% lead, this first result of the current drill programme will almost certainly be a game changer. More drilling needs to be done to determine exactly how the mineralization at Stonepark stacks up, but John, who's no stranger to the world of zinc exploration in Ireland, has already got a clear idea of how things will develop from here. He was one of the founders of Connemara's neighbour, Minco, which is now developing the Tobermalug prospect on its Pallas Green licence in joint venture with Xstrata. When Minco went off on its Mexican adventures, John was on his way too, but Minco's now back on the ground in Ireland in a big way, and separately, John is too.

The question is, will these two properties – Stonepark and Tobermalug - eventually merge into one great big undertaking? There are some powerful, if speculative, arguments in favour of such an outcome, and these are based on a clear geological line of thought, which is why John's able to talk of "geological excitement", as well as excitement of the corporate kind. In Ireland the zinc mineralization is found on the edges of limestone sequences known as Walsortian reefs. The mines that have been developed so far have tended to be big, like Boliden's Tara mine, Anglo's Lisheen mine, and Lundin's Galmoy mine. Galmoy's now closed, but Tara is the world's fifth biggest zinc mine, and Tara the world's 12th biggest. In the world of zinc mining, Ireland is no minor player.

But zinc mining is expensive in Ireland, and not only because as a fully paid up member of the EU its legislative framework is robust. There's also the simple fact that most of the zinc mining that takes place does so underground. To that end, reckons John, US\$1,400 zinc is required to make an Irish zinc mine fly. And not only that, but to get a project off the ground a certain ratio of grade and tonnage is required. Thus Minco's 11 million tonnes at 12% lead and zinc is good, he reckons, but maybe not quite good enough. According to John, if you're going to combine your lead and zinc grades, what you need is either 20 million tonnes at 12%, or 12 million tonnes at 20%.

That said, though, a further characteristic of the Irish zinc deposits is that they can occur in pods, or in what's known as a string-of-pearls formation. And, at the very least, reckons John, the intersections that Connemara has just delivered indicate the presence of a very high grade pod at

the location of that specific drill hit. How directly it ties back into the previous hits Connemara has had on Stonepark, one a mere 300 metres away, one around 1.4 kilometres distant. But as a result of all this, John's in no doubt about one thing: "It's a hundred per cent certainty there's an economic orebody between Tobermalug and Stonepark", he says, without committing on which side of the licence boundary such an orebody might lie.

Were Connemara to go it alone, there's little likelihood of Stonepark producing any zinc before 2016, by which time, reckons John, he might be fully retired. On the other hand, don't bet on it. "This has the possibility of being a giant zinc mine", he continues, the excitement of a profitable whiskey business still driving him on. "Two mines don't make as much sense as one." With that prospect in his sights, he's unlikely to take his hands off the tiller any time soon.