



## **ASX Announcement**

**1 NOVEMBER 2011**

### **NEVADA DRILLING UPDATE: DRILLING COMMENCES AT WHITEHORSE FLATS AND IS COMPLETED AT STEVENS BASIN**

The Directors of Navaho Gold Limited (Navaho) are pleased to advise that the first program of drilling has commenced on the Whitehorse Flats project in Nevada, USA. Navaho now has two rigs operating with the aim to complete drilling on 5 projects in Nevada before the US winter.

#### **Drilling at Whitehorse Flats**

The Whitehorse Flats Project is located 43km south of Wendover. The Kinsley Mine is the closest known Carlin-style deposit to the project, 8km to the SW, and subject to a JV between Nevada Sunrise and Pilot Gold. Approximately 140,000 ounces of gold was produced in the mid-1990's<sup>(1)</sup>. The Whitehorse Flats Project is the subject of a farm-in agreement with Columbus Gold Corp (TSX-V:CGT) pursuant to which Navaho Gold can earn a 70% interest in the project.

The drill program at Whitehorse Flats will test the down-dip extensions of outcropping zones of highly gold anomalous silicification (rockchip samples ranging from 0.32 to 1.82 ppm) as well as a number of structural targets identified from the interpretation of gravity data, collected by Navaho. Approximately 1,500m of reverse circulation drilling will be completed in 8-10 holes. Results are expected to be received in December.

#### **Drilling completed at Stevens Basin**

The Stevens Basin Project is located in Eureka Mining District on the Battle Mountain Trend 9km south west of the Archimedes/Ruby Hill deposit (2.23 Moz)<sup>(2)</sup> owned by Barrick Gold Corp. The area is the subject of a farm-in agreement with Columbus Gold Corp (TSX-V:CGT) pursuant to which Navaho Gold can earn a 70% interest in the project.

The drill program at Stevens Basin tested the highly anomalous gold mineralisation intersected in hole SB11-009 (15.2 m @ 0.18 g/t from 35m depth) drilled by Navaho in June 2011 (see ASX release dated 1 August 2011) as well as a suite of structural features identified from interpretation of gravity data, a magnetic target with features analogous to the Archimedes/Ruby Hill deposit, and further multi-element soil anomalies defined by sampling completed by Navaho in recent months. Eight holes for a total of 1,301m of reverse circulation drilling was completed at Stevens Basin. Samples have been submitted for assay and results are awaited.

Navaho CEO Mark Dugmore adds that "it is pleasing to see drilling commence on our fourth project in Nevada since listing in April this year. To date 32 RC holes have been completed and one core hole commenced totalling over 5000m and 600m of drilling respectively and it is anticipated that before the end of the year Navaho will have completed approximately 45 holes for nearly 9000m of drilling on 5 projects".

# Navaho Gold

## **General Update**

Core drilling on the TAZ Project is continuing with the hole currently at 671m depth. Results for this hole can be expected in mid-December. Results from the reverse circulation drilling on Rose Mine and Steven Basin Projects can be expected by mid- to late-November.

Further information regarding Navaho Gold, its projects, management team and a copy of its 2011 Annual Report are available on the Company's website at [www.navahogold.com](http://www.navahogold.com)



On behalf of the Board  
Mark Dugmore  
Managing Director

### **Competent Persons Statement**

The information herein that relates to Exploration Results is based on information compiled by Mark Dugmore B.App.Sc, MSc, who is a Member of The Australian Institute of Mining and Metallurgy. Mr Dugmore is employed by Navaho Gold Ltd.

Mr Dugmore has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

### **Reference:**

1. Nevada Bureau of Mines and Geology Special Publication MI-2009.
2. Past production, proven and probable reserves and inferred resources as stated in Barrick Gold Corporation 2009 Annual Report and Nevada Bureau of Mines and Geology Special Publication MI-2009.

# Navaho Gold

## **About Navaho Gold**

### **Carlin Style Mineralisation**

Navaho Gold is clearly focused on the exploration for and ultimate development of “Carlin Style” gold mineralisation. “Carlin” gold mineralisation was recognised near the town of Carlin in Nevada USA in the 1960’s. Carlin deposits occur as the result of low temperature solutions precipitating gold, silver and sulphide minerals in limey, magnesian and carbonaceous sediments, which have first been made a porous and receptive host by the effect of acid solutions emanating from nearby intrusions and fragmentation from fault activity. Carlin orebodies are typically both large and high-grade, ranging up to 40Moz gold (eg. Barrick Gold Corporation’s Post-Betze deposit)<sup>1</sup>. Nevada has 20 major mining operations producing in excess of 100,000 oz gold per annum<sup>2</sup>.

### **Projects in Nevada and Queensland**

Navaho Gold has various agreements to earn majority interests in, or acquire, at Navaho Gold’s election, seven projects in Nevada, four of which are located on or adjacent to the prolific gold-producing Carlin and Battle Mountain Trends, and holds exploration licences over three potential new “Carlin” style regions in Queensland.

From the period 1981 to 2009, in excess of 156Moz gold has been produced in Nevada, making it one of the most strongly endowed gold provinces in the World<sup>2</sup>. The Carlin Trend alone has produced more gold than any other mining district in the USA<sup>3</sup>.

Importantly, Navaho Gold’s Carlin East project in Nevada lies approximately 5km east of Barrick Gold Corporation’s 40Moz gold Post-Betze deposit, and the Utah Clipper project in Nevada is located immediately along trend from Barrick’s Cortez and Pipeline-Gold Acres deposits which contain more than 30Moz gold<sup>3</sup>.

#### **References:**

1. Nevada Bureau of Mines and Geology – Update on Minerals Production & Exploration (2009)
2. Nevada Bureau of Mines and Geology – Minerals Industry Report (2009)
3. Minnelex Pty Ltd – Independent Geologists Report (10 February 2011) for the Navaho Gold Prospectus

Navaho Gold currently has 92,830,236 shares on issue.

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Electronic copies and more information are available on the Company website: [www.navahogold.com](http://www.navahogold.com)

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