

MiningNews.net

Perseus in demand

Ben Sharples

Thursday, November 24, 2005

INVESTORS appear to be warming to Perseus Mining's Tolubay gold project in the Kyrgyz Republic, with recent results pushing the company's shares to a 52-week high.

Drilling at the Obdilla prospect hit 36m at 2.9gpt and 72.5m at 2.4 grams per tonne of gold, with the latter including sub-intervals of 7m at 2.6g/t, 5m at 2.9g/t and 51.5m at 2.7g/t.

Perseus said the potential of Obdilla is highlighted by the fact the grades in drilling to date exceed those of the closest trenches, indicating possible surface depletion of gold.

The current drill program is made up of 40 holes for 7500m of diamond drilling, with a second rig due on site shortly.

A mineralised zone over 2km in length and up to 200m wide has been defined at Obdilla through trenching, and Perseus believes the prospect has the potential for a large tonnage, medium grade gold deposit, comparing the setting to Nevada's Carlin Trend.

The 46.4sq.km Tolubay project is located in the foothills of the Alay Range in Chauway Valley, 110 km from Osh city in central western Kyrgyz Republic.

Shares Perseus gained over 12% on Thursday trade to hit a 52-week high of 27.5c. The stock continued to climb Friday morning, gaining 1c (5.5%) to 29c.

The Perseus portfolio is also made up of the Tengrela project (Ivory Coast) and the 450,000-ounce Grumesa project in Ghana.