

# Goldletter INTERNATIONAL

*the international independent information and advice bulletin for gold and related investments*

## **State of Nevada – one of the world's most prolific gold regions**

In April 2002, the State of Nevada in the U.S. celebrated an impressive milestone with the production of the 50 millionth ounce of gold from the Carlin Trend. Only two other locations in the world have achieved this level of production: South Africa's Witwatersrand and Uzbekistan's Muruntau.

The Carlin Trend in Northeastern Nevada (5 miles wide and 40 miles long) discovered in the 1960s and having produced more than 50 million ounces of gold, with reserves and resources exceeding 100 million ounces, currently produces more than 4 million ounces of gold annually.

Nevada's gold mines produce approximately 7 million troy ounces of gold per annum, worth \$ 2.8 billion. Nevada's gold production accounts for approximately 76% of all U.S. production and 11% of world production, maintaining Nevada's rank as the largest gold producer in the U.S. and the third largest producer in the world behind South Africa and Australia.

With Newmont Mining and Barrick Gold being the major gold producers in Nevada, the region got a strong boost from a major discovery in 2003 called Cortez Hills, that added in excess of 5.2 million high-grade gold ounces to the Cortez Mine, a joint venture of Placer Dome (60%) and Rio Tinto (40%). This discovery will extend the life of the Cortez Mine property to at least 2014, and will generate 1 million ounces of gold per year at a cash cost of under US\$ 100 per ounce.

The major Cortez Hills find in the Battle Mountain Trend in northcentral Nevada, 100 km south-west of Elko, has resulted in a flurry of exploration and drilling activity in the Cortez area by a growing number of junior exploration companies.

### **OVERVIEW OF NEVADA GOLD MINES**

<b>Project</b>	<b>Producer</b>	<b>percentage of ownership</b>	<b>Output 2003 million/oz</b>
Nevada operations	Newmont Mining	100 %	2.49
Goldstrike (Betze-Post open pit : 1.56 million/oz) (Meikle-underground: 0.55 million/oz)	Barrick Gold	100%	2.11
Cortez	Placer Dome Rio Tinto	60% 40%	1.07
Round Mountain	Barrick Gold Kinross Gold	50% 50%	0,73
Jerritt Canyon	Queenstake Res. Re-	100%	<u>0.30</u>
			6.70
<b>Total US production</b>			<b>9.17</b>
<b>Nevada in % of total US production</b>			<b>73%</b>

## Overview gold exploration companies active in Nevada

<i>Company</i>	<i>Trade symbol</i>	<i>Recent price in Cdn\$</i>	<i>H + L 12 months</i>	<i>Net shares issued in million</i>	<i>Market cap. Cdn\$ million</i>
<i>August 5, 2004</i>					
Metallic Ventures Gold Inc.	MVG-TSX	3.20	0.60-3.20	51.1	163.5
Vista Gold Corp.	VGZ-TSX	4.45	7.99-4.45	13.8	61.4
Victoria Resource Corp.	VIT-TSXV	1.40	2.30-0.40	41.5	58.1
White Knight Resources Ltd.	WKR-TSXV	1.05	1.61-0.11	51.4	54.0
X-CAL Resources Ltd.	XCL-TSX	0.69	1.15-0.45	76.1	52.5
New Sleeper Gold Corp.	NWS-TSX	0.81	2.15-0.47	35.6	28.8
CMQ Resources Inc.	CMQ-TSXV	0.75	1.05-0.67	29.8	22.4
J-Pacific Gold Inc.	JPN-TSXV	0.51	0.90-0.27	43.3	22.1
Nevada Pacific Gold Corp.	NPG-TSXV	1.01	1.62-0.34	19.1	19.3
Midway Gold Corp.	MDW-TSXV	0.94	2.70-0.75	18.3	17.2
Bactech Mining Corp.	BM-TSXV	0.43	1.30-0.31	37.4	16.1
Miranda Gold Corp.	MAD-TSXV	0.65	0.84-0.16	21.8	14.2
Atna Resources Ltd.	ATN-TSX	0.39	0.62-0.29	30.6	11.9
Fjordland Exploration Inc.	FEX-TSXV	0.38	0.41-0.03	28.9	11.0
Coral Gold Resources Ltd.	CGR-TSXV	0.19	0.61-0.18	46.5	8.8
Klondex Mines Ltd.	KDX-TSXV	0.78	1.05-0.24	11.2	8.7
NDT Ventures Ltd.	NDE-TSXV	0.15	0.29-0.12	37.1	5.6
Bravo Venture Group Inc.	BVG-TSXV	0.14	0.37-0.08	39.5	5.5
Rio Fortuna Expl. Corp.	RFT-TSXV	0.08	0.25-0.05	39.4	3.2
<i>Company</i>	<i>Trade symbol</i>	<i>Recent price in US\$</i>	<i>H + L 12 months</i>	<i>Net shares issued in million</i>	<i>Market cap. in US\$ million</i>
Golden Eagle Int.	MYNG-OTCBB	0.09	0.26-0.06	468.5	42.2
Quincy Gold Corp	QCYG-OTCBB	0.48	0.58-0.41	19.3	9.3
Pacific Gold	PCFG-OTCBB	0.40	1.34-0.11	21.8	8.7

## Coral Gold Resources Ltd. (Cdn\$ 1.50 – TSX-V: CGR)

- **drill program underway to expand indicated resources of 583,700 oz. of gold on Robertson Property, Nevada**

October 2004



### Company profile

Coral Gold Resources is exploring a portfolio of strategically located claim blocks along the Battle Mountain-Eureka gold trend in north-central Nevada, USA. These properties are situated in the active Crescent Valley region, site of the large Cortez (Pipeline) gold mine operated by Placer Dome and Kennecott Exploration.

All of Coral's Nevada properties are considered to have outstanding potential for the discovery of major new gold

resources as well as for the expansion of previously identified resources.

Nevada alone accounts for about three-quarters of the gold produced in the United States and about 10% of all gold produced in the world.

All of Coral's claim blocks – the Robertson, Norma Sass, Excluded Claims and Ruf – are situated within a few miles of the Pipeline mine, with the Excluded claims' southern boundary only a mile away.

### Projects

- The Robertson Property is situated in the Tenabo mining district and covers an area of 4,500 acres, and is an advanced-stage exploration project. The property contains an indicated mineral resource estimated at 11 million tons averaging 0.053 oz/g/t. Exploration drilling to expand this resource is concentrated both on the 39A and Porphyry zones. These resources are currently estimated to contain 2.8 million tons of mineralised material at a grade of 0.101 oz/g/t and 3.95 million tons at a grade of 0.04 oz/g/t. In July 2004, Coral announced a new program which will consist of drilling 10 reverse circulation holes totalling about 7,000 feet.
- The Norma Sass Claims (66% owned) are located in the Crescent Valley and consist of 37 unpatented federal lode claim covering an area of roughly 740 acres of public lands administered by the Bureau of Land Management. Norma Sass, an early stage exploration project located immediately south of the Gold Acres open-pit mine, represents one of Nevada's best remaining "deep" Carlin-type exploration targets. Previous drilling has encountered ore-grade gold values hosted by favourable lower plate carbonate strata, including narrow ore-grade intervals (up to 40 ft/0.053 oz/g/t).
- The Excluded Claims, located in Crescent Valley are subject to an Earn-in Agreement and Mining Venture Agreement with Cortez Gold Mines (Placer Dome/Kennecott Explorations). Coral holds a 39% carried interest in 219 unpatented lode claims situated approximately 4,000 feet north of the Cortez (Pipeline) open-pit mine. Cortez is manager of the joint venture. Earlier wide-spaced deep drilling has established the presence of scattered significant gold values, anomalous levels of Carlin-type trace elements, key structural components and the occurrence of a preferred host strata. Together with the wide-space nature of drilling. These features indicate that potential for the discovery of deep Carlin-type mineralization.
- The Ruf Claims (66% owned), operated as a joint venture with Levon Resources and covering an area of 416 acres, are situated in Crescent Valley north-east of the Cortez (Pipeline) mine and mill complex. In 1995, drilling returned three narrow intervals containing low-grade values that reach up to 40-ft thick averaging 0.018 oz/g/t from 185 ft. A follow-up program of detailed ground geophysics and drilling should be considered for this shallow pediment-covered area.