

## Kirkland Lake adds ounces

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Gold for \$8 an oz. sounds like quite the bargain even when it's only based on direct drilling costs. That's the amount that **Kirkland Lake Gold** (KGI-T) spent to find more than 338,000 oz. of gold reserves and resources during its fiscal 2010 year which ended on April 30.

Most of the new reserves and resources discovered were in the South mine complex where the company discovered the '08 Break.

Proven and probable reserves increased 4% at the South mine complex. Proven reserves total 115,000 tonnes grading 21.9 grams gold per tonne for 82,000 oz. Probable reserves are now 750,000 tonnes grading 26.4 grams gold per tonne for 639,000 oz.

The most significant gain was in the measured and indicated categories, which are up 63% over last year's resource count.

Measured resources have been maintained at 7,000 tonnes grading 14.4 grams gold per tonne for 3,000 oz.

Indicated resources are now 680,000 tonnes grading 22.3 grams gold per tonne from 489,000 oz.

Inferred resources are 810,000 tonnes grading 26.1 grams gold per tonne for 677,000 oz. gold, an increase of 15%.

Overall, the entire Kirkland Lake mine complex has proven reserves totaling 972,000 tonnes grading 15.4 grams gold per tonne for 477,000 oz. gold and probable reserves of 1.3 million tonnes grading 22.3 grams gold per tonne for 920,000 oz. gold. Measured resources total 410,000 oz., indicated resources are 857,000 oz. and inferred resources amount to 1 million oz. gold.

The company spent \$5.3 million in 2010 on exploration at the Kirkland Lakegold camp and plans to increase that to \$7.1 million for fiscal 2011 in hopes of continuing the resource expansion trend.

Meanwhile, the company will be striving for an average annual tonnage rate of 600 to 700 tons per day over fiscal 2011 to produce 180,000 oz. to 200,000 oz. gold per year. Kirkland Lake has an overall expansion program to reach 1,200 to 1,400 tons per day by this November.

The Kirkland Lake complex consists of five past producing mines that produced 24 million oz. gold from the Main/'O4 Break over a span of 84 years.

The company restarted mining in this area in 2005 and has since discovered the South mine complex.

In fiscal 2010, Kirkland Lake produced nearly 47,000 oz. gold, up from 44,000 oz. gold in 2009.