

Canada Company Strikes Gold in Brazil

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Lund Gold Ltd. and Oromin Explorations Ltd. have been granted an option to jointly acquire a 100% interest in the 5,000-hectare Carneirinho gold exploration property in north central Brazil.

The Carneirinho Property is located approximately 200 kilometers southwest of the city of Itaituba within the very active Tapajós region, generally regarded as the premier epithermal gold district in Brazil.

The Carneirinho Property lies approximately 30 kilometers northwest of the Tocantinzinho Property currently being explored by Brazauro Resources Corp.

Extensive former and current garimpeiro (gold prospecting) workings are located within the Carneirinho Property. Since 1996 when garimpeiro activity and small-scale mining began, historical production from the property is reported to be approximately 3 tons of gold.

At the Carneirinho Property's main garimpeiro pit, Antonio de Luca, a total of 600 kilograms of gold were reportedly produced from the 70 meter long, 25 meter wide and 25 meter deep excavation.

Antonio de Luca is one of a series of garimpeiro pits excavated along the 800 meter long Araguari structural trend. The Araguari structure is open to expansion beyond the current area of former and current workings.

Limited exploration by TVX Gold Inc. in 1996 and 1997 outlined at least two parallel structures, the Duesdeth and the Cuiabano. These structural trends are components of the Tapajós regional structural zone, a 200 kilometer long regional-scale northeast-southwest trending shear zone that accounts for the majority of the 7 to 10 million ounces of gold produced by garimpeiros in the Tapajós region.

Exploration undertaken by TVX included soil geochemistry, induced polarization ("IP") and magnetics geophysical surveying, structure lineament analysis, rock and saprolite channel sampling and drilling of three core holes.

Lund and Oromin's Brazil based geological consultant is José Lenzi, formerly the Exploration Manager for TVX, who is very familiar with the exploration potential of the Tapajós region in general and the Carneirinho Property in particular.

Lund and Oromin's Brazil based geological consultant believes that TVX's three drill holes were not properly located and oriented to test the mineralization identified on surface.

One hole intersected a diabase intrusive at the projected depth of the mineralized zone and a second hole was oriented incorrectly, drilling sub-parallel to the projected dip of the mineralized zone, and was stopped prior to reaching the target.

The third hole tested on IP anomaly adjacent to, but off the trend of the mineralized structural zone and was terminated prematurely as it reached a sulphidized phyllic alteration zone.

The Carneirinho Property is underlain by granitic units and rhyolite flows - volcanic sediments that have been intruded by younger alkali-granites.

These younger alkali-granite units, directly linked to gold mineralization at Carneirinho, have intruded along the Tapajós regional NW-trending structural corridor and along intersection zones with late NE-trending structural systems. Similar geological and structural controls commonly occur throughout the Tapajós region.

Representatives of Lund and Oromin paid a brief visit to the Carneirinho Property to assess the geologic potential of the previously identified mineralized structural trends.

Although the majority of former garimpeiro sites were covered by more recent tailings and were no longer active, the representatives were able to collect three character grab samples from saprolite at the Deusdeth garimpeiro pit that returned assay values of 2.49 g/t gold, 4.63 g/t gold and 17.85 g/t gold.

One additional sample taken from the only currently active garimpeiro operation located between the Antonio de Luca and João Pinto pits returned an assay value of 9.30 g/t gold. Three other samples, taken from non-altered, non-mineralized saprolite at various locations on the property, returned less than 100 ppb gold.

Lund and Oromin plan to initiate exploration activities as soon as crews can be mobilized to Carneirinho. Preliminary evaluation will include geological mapping, prospecting, channel sampling and auger drill sampling.

Additional geophysics covering an area larger than previous ground surveys and core drilling is also proposed as a second phase program.

The option to acquire the Carneirinho Property is structured as a two-stage option with Lund and Oromin jointly acquiring a 50% interest at each stage.

In order to exercise the first option, Lund and Oromin must pay the vendor US\$ 50,000 on or before April 30, 2005 and a total of US\$ 1,700,000 by April 30, 2009.

Following the exercise of the first option, in order to exercise the second option, Lund and Oromin must pay the vendor an additional US\$ 6,000,000 on or before April 30, 2010.

In connection with this acquisition, Lund and Oromin have agreed, subject to regulatory approval, to pay a finders fee to José Lenzi based on the number of ounces of gold discovered by Lund and Oromin as a result of its exploration of the Carneirinho Property, as calculated by a "qualified person" in compliance with the provisions of National Instrument 43-101.

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