



Golden Band: Gold Production Imminent

By James West

www.MidasLetter.com

Friday, May 29, 2009

Saskatchewan is not typically synonymous with gold production. It's uranium and potash that dominate the mining news for the most part there. But Golden Band Resources (TSX.V:GBN), who has been resurrecting Saskatchewan's most prolific gold belt since 1993, is gearing up to start producing gold by the end of this year upon obtaining financing.

"We've kept our focus on the La Ronge Gold Belt since 1993," said CEO Rodney Orr in a recent interview. "We've got 12 deposits and the fully permitted Jolu mill that was built in 1988. We've got sufficient resources now to commence production and we just announced this morning that the Saskatchewan government has approved our environmental permit. Now all we need is financing, and we're ready to commence construction so that we can start production."

Golden Band's development efforts are focused exclusively on the La Ronge Gold Belt in northern Saskatchewan.

Throughout much of the 1930's, the La Ronge area was explored primarily for gold. The focus of regional exploration efforts during the 1950's and 1960's, however, was for base metals, with exploration largely focused on volcanic and sedimentary lithologies in the region.

The most intensive period of gold exploration within the La Ronge gold belt was during the 1980s and early 1990s, triggered by an increase in the price of gold and the federal implementation of flow-through share financing. During this period, up to 80 senior and junior companies worked in the La Ronge gold belt.

The Jojay, Wedge Lake, Twin Lake, Weedy Lake, Komis, and the EP historic gold occurrences were significantly enhanced. Other deposits discovered and mined during this period were the Star Lake, Jasper, and the Rod Zone (Jolu mine). The most active companies were SMDC (predecessor to Cameco), Royex, and Golden Rule Resources Ltd.

The last discoveries during this period in the belt were the Contact Lake deposit and the Greywacke zone (both by Cameco during 1987 and 1988, and the Bingo deposit, by Uranerz Exploration and Mining Ltd., in 1991 and 1992.

Since the mid-1990's, only a few exploration companies have continued gold exploration in the belt, most notably GBR. Since 1994, GBR has assembled, through staking and acquisitions, a land package of approximately 750 km² in the La Ronge Gold Belt, Northern Saskatchewan. These assets include twelve known gold deposits, four former producing mines and the licensed Jolu gold processing plant.

The La Ronge Gold Project comprises open pit and underground mining of the Bingo deposit along with open pit mining of the EP, and Komis deposits. The mill feed from all mining operations will be trucked to the refurbished and expanded Jolu mill for processing.



Midas Letter

Gold, Silver, Energy, Commodities, Economics

Golden Band needs to raise CA\$30 million to complete the Jolu mill refurbishment and complete preparations for production, and for the pre-development work for the three minesites. The company is planning to finance primarily through structured debt repayable from production as opposed to an equity financing. The company is in discussions currently towards that goal.

The Preliminary Feasibility Study for the La Ronge Gold Project comprises the Bingo, Komis and EP gold deposits and the Jolu gold processing plant. Golden Band also owns several other prospects in the La Ronge Gold Belt five of which have NI 43-101 compliant resources (Golden Heart, Birch Crossing, Tower East, Memorial, Greywacke-49%) and several that do not (Corner Lake, Niko, Kaslo, Decade, Jolu-Alimak, Charlie's Eye).

The Saskatchewan Ministry of the Environment has granted approval for the project to proceed clearing the last regulatory hurdle in the path to production.

"This is a major milestone in the progression of Golden Band Resources as it opens the way for mining on our La Ronge Gold Project," said Rodney Orr. "We are extremely pleased with the timeliness of the provincial regulatory process and extend our thanks to everyone involved. Golden Band is also very grateful for the support demonstrated by the numerous participants in the project, and especially to the Lac La Ronge Indian Band on whose traditional lands all of our projects are located.

Company Chairman Ronald Netolitzky noted, "While this very significant achievement allows us to re-start gold production with this initial project, the Company's stated objective is to expand from the initial four years to a minimum of ten years with the production of at least 75,000 ounces per year based on an initial milling rate of 700 tonnes per day from the Company's Bingo, Komis, and EP deposits."

Golden Band continues to see continuing exploration success too as evidenced by this week's announcement of an expanded resource at its Bingo deposit representing an 18% increasing the the Measured and Indicated resource and a 368% increase in the Inferred resource since the previous resource estimate of November 5, 2008.

The updated NI 43-101 mineral resource estimate for the Bingo gold deposit (capped) is now total 73,777 ounces in the Measured and Indicated category and 67,756 ounces in the Inferred category, using a cut-off of 5 g/t gold over a diluted minimum width of 2.0 metres.

Rodney Orr has been a part of Golden Band's senior management team since early 2004 and, as Vice President Operations and COO, handled the day-to-day operations of the company. In 2007, Rod took on the role of President and CEO and has committed himself to the coordination and management of the company's activities towards becoming Saskatchewan's next producing gold company.

A geologist, Rod is an active member of the Saskatchewan mining industry and brings more than 30 years of mining experience with him. Prior to his work at Golden Band, he held such positions as Vice President Exploration and later Executive Vice President of Mindoro Resources and Senior Geologist for Uranerz Exploration and Mining Ltd. in Saskatoon where he managed major foreign and domestic exploration programs for uranium, gold and diamonds.



Midas Letter

Gold, Silver, Energy, Commodities, Economics

Ron Netolitzky was the first to recognize the gold potential of the La Ronge Gold Belt. In the late 1970s, Ron initiated the acquisition of a large land package comprised of a prospecting permit and claim blocks (about 200,000 hectares) covering most of the prospective area north of the Churchill River (similar to the area presently held by Golden Band).

Ron was later to be instrumental in the discovery of the Snip, Eskay Creek and the Brewery Creek gold deposits in BC and Yukon, earning him the Prospector of the Year Award in 1990 from the Prospectors and Developers Association of Canada. Most recently, his Viceroy Exploration was acquired by Yamana Gold Inc. for its Gualcamayo gold deposit.

Golden Band trades on the TSX Venture under the symbol 'GBN'. The company has 140.4 million shares issued and outstanding with a market capitalization as of today of \$32.7 million. Learn more by visiting the company's web site at <http://www.goldenbandresources.com>.