

# Mining & Energy

## Pure Speculation

PURE SPECULATION: Robin Bromby | August 04, 2008

### **Golden opportunity**

A READER emails that he hopes we will take notice of the announcement from Morning Star Gold (MCO). Very well, then. The company working to restore the historic Victorian underground mine reported that it had a resource of 910,000 ounces, the underground component being 726,000oz at an impressive average grade of 11.2 grams/tonne.

Gold closed at \$US910.95 on Friday.

Mark Cutifani, chief executive at AngloGold Ashanti (and know here from his days at Sons of Gwalia), said at the weekend he believed that higher production costs would mean that 30 per cent of the world's gold producers would be unprofitable if the metal's price falls to \$US800/oz. The good news is that he thinks gold will be back at \$US1000 by year's end.