

Quebec Precious Metals looks to be a possible gold takeover target in 2021

Quebec Precious Metals Corporation (TSXV: QPM | OTCQB: CJCFF) ('QPM') currently trades on a market cap of just C\$15.6 million (~US\$12 million) and continues to find more gold with a series of excellent drill results in recent months. Meanwhile, Newmont Corporation is a major share holder in QPM, holding 15.6% of the Company's shares. Newmont Corporation knows the James Bay Quebec region well and has had success at their nearby Éléonore Mine. All of this suggests it would not be unreasonable to see Newmont make a move on QPM, either a greater equity share, a friendly merger, or outright takeover.

Certainly there is plenty of precedent. The above mentioned Éléonore Mine was acquired by Goldcorp for approximately \$420 million in 2005. Then in 2019 Newmont acquired Goldcorp for \$10 billion.

Quebec Precious Metals Corporation – Company overview – Newmont is a strategic equity holder

Company Overview

QUEBEC
PRECIOUS
METALS

- ▶ June 2018 creation of a **NEW GOLD EXPLORER** in the James Bay region of Quebec
- ▶ Gold consolidation strategy combining **GOLD ASSETS FROM THREE COMPANIES** listed on the TSX Venture
- ▶ **HIGHLY PROSPECTIVE LAND PACKAGE** (1,100 km²) located in new gold mining camp
- ▶ **FLAGSHIP PROJECT: SAKAMI** – ongoing drilling program, significant grades and well-defined drill-ready targets, to advance rapidly to the mineral resource estimate stage



- ▶ **STRATEGIC INVESTOR, NEWMONT CORPORATION** who operates the Éléonore gold mine, one of Quebec's largest gold mines, and located in the same mining district as well as along strike
- ▶ **PROVEN MANAGEMENT TEAM AND BOARD** with access to capital, since creation of the company, management raised \$12.4M

Source: QPM corporate presentation

QPM holds a prospective and large land package of 1,100 km² located in the gold mining camp region of James Bay. Their flagship project is the Sakami Project which allows for all year round drilling and is showing excellent exploration potential for gold. The Sakami Project covers 140 square km and lies about 90 km northwest of Newmont Corporation's Éléonore Mine.

Here's a brief summary of the successful drilling over the past 7 months at QPM's 100% owned Sakami project:

- Dec. 15, 2020 – High Grade at La Pointe Extension: **60.8 g/t Au over 0.3 m within 1.4 m at 15.01 g/t Au**. Other results included long lengths of gold such as PT-20-162 – 42 m at 1.31 g/t Au, PT-20-159 – 80 m at 1.10 g/t Au, PT-20-155 – 53.8 m at 1.03 g/t Au, PT-20-154 – 70.3 m at 1.14 g/t Au, PT-20-153 – 35.4 m at 1.45 g/t Au, PT-20-151 – **80.1 m at 1.15 g/t Au**.
- Nov. 24, 2020 – QPM intersects **42 m at 1.31 g/t Au**, including 16.8 m at 1.95 g/t Au at La Pointe Extension.
- Nov. 9, 2020 – QPM intersects **80 m at 1.10 g/t Au** at La

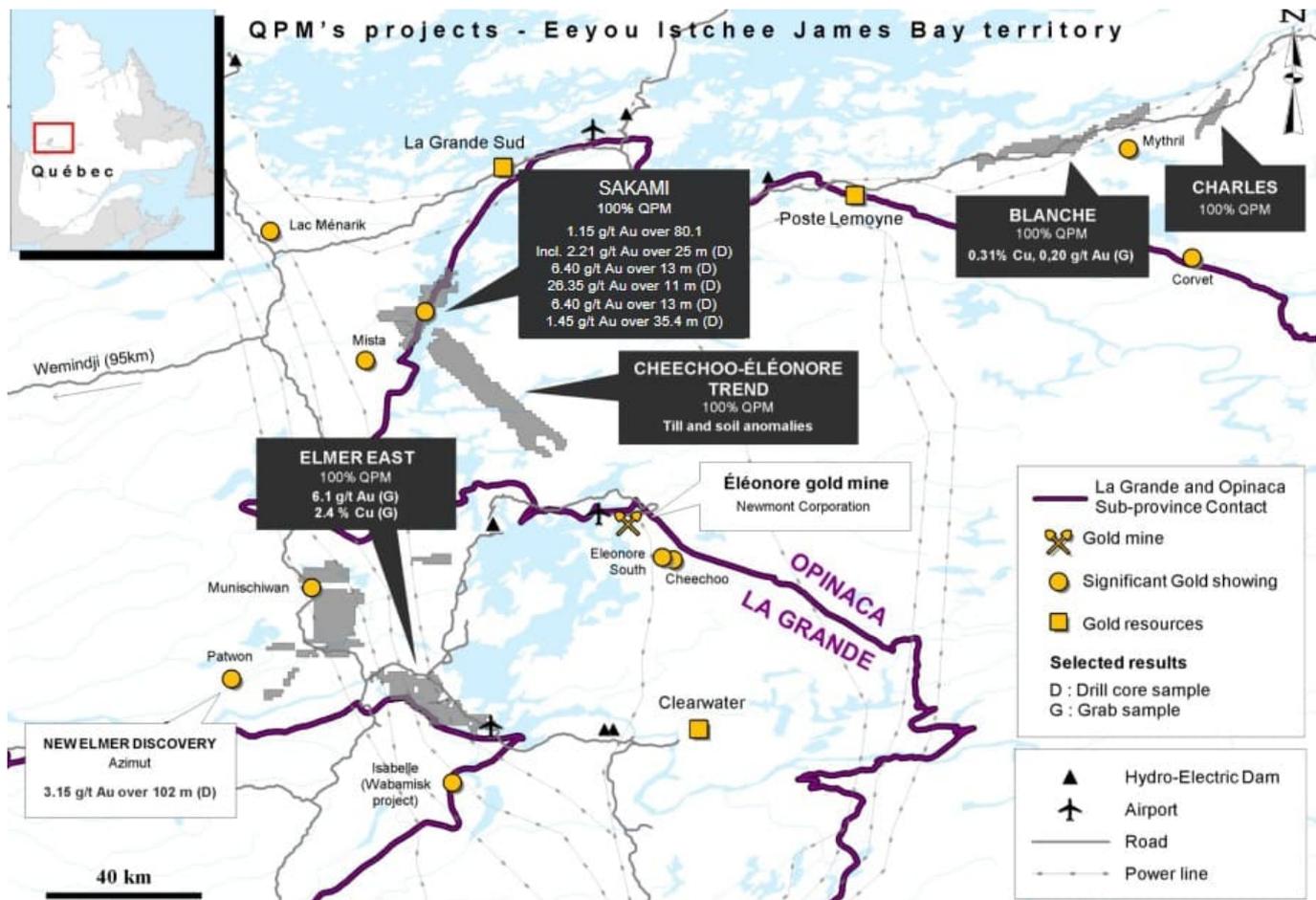
Pointe Extension.

- Sept. 16, 2020 – QPM discovers a new gold and base metals system from surface sampling at Elmer East with grabs up to 17.75 g/t Au.
- Sept. 10, 2020 – QPM extends the La Pointe Extension discovery with **53 m at 1.03 g/t Au** and near surface discovery at Simon.
- Aug. 13, 2020 – QPM expands La Pointe Extension discovery over 2 km; continues drilling.
- July 22, 2020 – QPM drills **1.14 g/t Au over 70.3 m** at La Pointe Extension Discovery.

As shown above there is a consistency of significant long length gold discoveries. QPM's plan is to continue to drill and then release a maiden resource estimate at Sakami at some stage hopefully in H1 2021.

In addition QPM has several other gold exploration stage projects in the region, which QPM also plans to explore for gold. These include Elmer East, Cheechoo-Éléonore Trend Project, Blanche Project, and Charles Project. Another plus is that all of these are 100% owned by QPM. There are also other non-core assets that QPM may spin-off as they did recently as you can read here.

A summary of QPM's major projects in James Bay Canada



Source: QPM corporate presentation

Closing remarks

Here are some facts to consider. Newmont Corporation has a market cap of US\$49 billion. QPM's market cap is just ~US\$12 million. Newmont has already shown a strong interest in QPM, and is in fact their largest shareholder at 15.6%. Newmont has had great success in the region with their Éléonore Mine, itself a result of a takeover. Newmont has a history of acquiring other gold miners.

Investors can make up their own minds regarding a possible Newmont takeover of QPM. Certainly QPM's Sakami Project continues to get solid drill results and a maiden resource at Sakami is expected in H1 2021. Elmer East, Blanche and Charles also show early promising signs for gold. With an increasingly prospective very large land package of 1,100 km² in James Bay, I will not be surprised if QPM receives significant interest

in 2021 from both investors and possible suitors, with Newmont at the top of the list.

Let me know your thoughts in the comments below. Also leave a comment if you know of an even better gold takeover target in 2021.

Disclosure: The author is long Quebec Precious Metals Corporation [TSXV:QPM].

Can Eclipse Gold grow to become America's next mid-tier gold growth story?

Eclipse Gold Mining Corporation (TSXV: EGLD) ('Eclipse Gold') recently announced a proposed merger with Northern Vertex **to create a new western U.S. gold producer and explorer**, retaining the name Eclipse Gold Mining Corporation. Along with the proposed merger was a C\$20 million financing (since upsized for another \$4 million, to close on the closing of the merger), which will leave the company well funded after some initial expenses (Maverix Metals net proceeds of warrant shares), for exploration and future expansion. The proposed merger deal is yet to close and is subject to Eclipse Gold shareholder approval (shareholder meeting set for Feb 4/21).

Shareholders of the combined company gain exposure to ~50,000 oz pa gold mining production (Moss Mine) and also leverage to resource growth (at the Moss Property and also at the Hercules Gold Property) with accelerated drilling planned for both properties. Both properties are in excellent mining areas of the USA and sit on the Walker Lane Trend. As a result of the

proposed merger Eclipse Gold now will have a team with both strong operational experience as well as capital markets experience. This should make for a strong combination in future years.

Regarding the proposed merger, Eclipse President, CEO and Director, Michael G. Allen stated: "This combination gives Eclipse (Gold) shareholders exposure to creating value on a larger scale, supported by positive cash-flow. Shareholders of the new combined company will now own a platform including **two Walker Lane gold projects with multi-million-ounce potential, a producing mine with untapped production and cash-flow growth opportunities, and an executive team with demonstrated success building multi-asset companies organically and through M&A.** This combination aligns all the key elements required toward building America's next mid-tier gold growth story."

Note: Bold emphasis by the author.

The new combined company, Eclipse Gold, will have two gold properties in the USA, both are strategically situated along the Walker Lane Trend:

1. **The Moss Mine & Property (NW Arizona)** – An open pit producing gold mine at a current run rate of ~50,000 Au oz pa (last quarter produced 13,083 oz at a cash cost of US\$954/oz). The Property currently has a M&I Resource of 360,000 oz contained Au @ 0.6 g/t plus Inferred 129,000 oz contained Au @ 0.37 g/t; as well as silver by-product. A recent drill result at the Moss Mine was 15.25 meters @ 3.35 g/t gold and 23.09 g/t silver. The Resource is spread over 1.5km but there are additional outcrops at surface spread over 5kms. The Company believes that there is nearby exploration upside and potential for a hub and spoke development.
2. **The Hercules Gold Property (Nevada)** – A 100 km² district scale property with exploration potential. Located only a one hour drive from Reno it appears to have all the

characteristics of a large, low-sulphidation epithermal gold system. The Property has a non-compliant 300+ drill hole history as well as surface samples averaging 1g Au. Drilling is ongoing and the latest 28 drill hole assay results are pending and due out soon. A known past drill result (H20010) was **89.92 m @ 0.65 g/t Au**, 12.51 g/t Ag. Note that all of these results pre-date NI43-101 so the usual cautions apply.

Eclipse Gold's two gold properties – Moss Mine & Property and Hercules Gold Property (assumes the proposed merger completes)

Strategically Located On The Walker Lane Trend



HERCULES – An Exceptional Exploration Project

- District-scale land package (100 km²)
- Low sulphidation epithermal gold-silver system
- 350 Historic drill holes
- 3,271 meters in 12 holes drilled by Eclipse in 2020 Phase I program
- 7,330 meters in 28 holes drilled by Eclipse in 2020 Phase II program complete, pending assays

MOSS MINE – Production and Cash Flow

- Open pit, heap leach operation in NW Arizona
- Excellent exploration upside adjacent to open pit and regionally for hub and spoke potential
- Most recent quarter (FY Q1 2021):
 - Record gold production of 13,083 oz
 - Cash cost of US\$954/oz

Source: Company presentation

Eclipse Gold has a strong board and management team with an excellent track record of success as shown in the chart below.

Delivering Wealth Generating Liquidity

Newmarket Gold
\$1B
TAKE OUT

International Royalty
Corporation
\$700M
TAKE OUT

Northern Empire
\$117M
TAKE OUT

Peru Copper
\$869M
TAKE OUT

Underworld
Resources
\$138M
TAKE OUT

Esperanza Gold
\$69.4M
TAKE OUT

Board of Directors with Established Track Record of Value Creation



Source: Company presentation

Assuming a successful merger, Eclipse Gold should be cash flow positive in 2021 thanks to the producing Moss Mine which brought in an operating cash flow of US\$10.7 million last quarter. Positive cash flow and company cash reserves (C29.5 million includes the pending financing) can help fund significant exploration at both the Moss and the Hercules properties in 2021.

Closing remarks

A recipe for success in the gold mining business is to be self-sustaining, producing gold and at the same time doing exploration to grow the resource and expand production. Subject to the proposed merger deal closing successfully, Eclipse Gold will then have a very strong foundation to build upon in 2021. Eclipse Gold guides for a pro-forma market cap of about C\$225 million once the proposed merger is complete, hopefully in February 2021.

Is Eclipse Gold America's next mid-tier gold growth story? The

new combined company certainly looks appealing but we will first need to see how it goes in 2021 with the proposed merger approval, assay results and exploration and production growth strategy; before we can call Eclipse a mid-tier growth stock.

Note of caution if buying Eclipse Gold before the proposed merger completes

Please read the transaction summary, in particular that the “combined company will be comprised of 71% Northern Vertex shareholders, 18% Eclipse shareholders and 11% new shareholders.” Also, here is an interview that Peter Clausi did with Douglas Hurst on Eclipse Gold’s merger with Northern Vertex, or [click here to access](#).

All eyes are on Treasury Metals combined Goliath & Goldlund gold project as PEA expected in Q1, 2021

The Preliminary Economic Assessment (PEA) is an important time for a junior miner when investors get a feel for the economics of a project. If the result is good it helps advance the project and the company’s stock price, which helps to raise further equity capital to continue drilling and onto the Feasibility Study (FS). A successful PEA can also serve to de-risk the project a step further and increases investor attention and confidence in the project.

Treasury Metals Inc. (TSX: TML | OTCQX: TSRMF) is at this important stage with their combined Goliath & Goldlund Project

PEA due out anytime soon in early Q1 2021. The PEA will also incorporate updates to the NI 43-101 Resource which will be another important part of the news release.

Looking at Treasury Metals' Goliath & Goldlund Project in Ontario there are multiple synergies and cost advantages that can potentially help give a strong PEA result. These synergies include the project boundaries being just 2km apart (planned mill at the Goliath site and Goldlund located 25 km away) and having similar metallurgical properties, which means both projects can feed a single mill at Goliath. Cost advantages include the initial plan for an open pit and excellent local infrastructure in an existing mining district in Ontario, Canada. This includes excellent nearby road access via the Trans-Canada Highway, rail infrastructure, power, and nearby towns for labor. All of this helps lower costs.

Bill Fisher, Chairman of Treasury recently stated: "We are pleased to announce the rapid progression of the PEA on the 100% owned Goliath and Goldlund projects, including the selection of Ausenco as the principal consultant for the report. With around 2 million ounces of gold in Measured & Indicated Resources, we see the combined projects as having the potential to be a significant gold mine. **Our goal is to demonstrate the potential for a gold mine which can produce more than 100,000 ounces per year over a 12+ year mine life, at attractive all-in sustaining and cash costs.**"

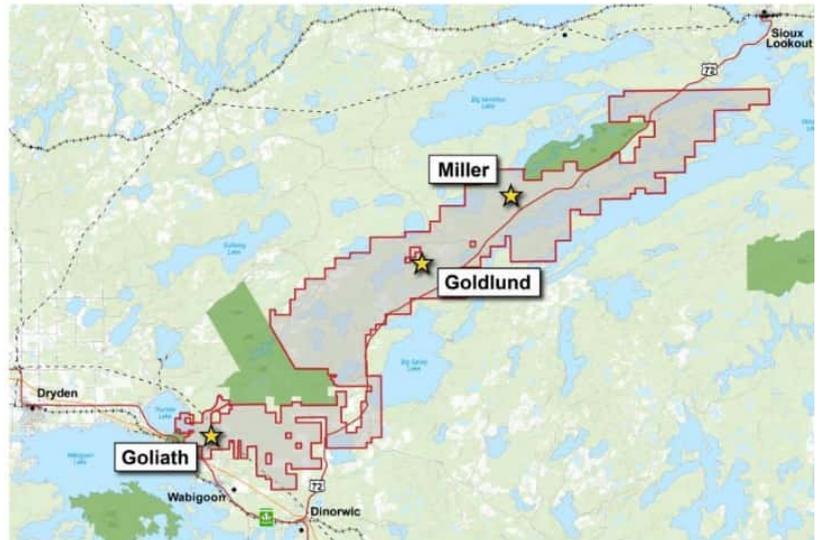
Note: Bold emphasis by the author.

The combined Goliath & Goldlund Project now has a total combined property size of 320 km² with a 65km potential strike zone. The chart below highlights the very close proximity (2km apart) between the Goliath & Goldlund Projects which is expected to create cost savings via synergies.

Treasury's goal is to advance the Goliath Gold Complex to a construction decision by the end of 2023

Goliath Gold Complex, consisting of Goliath and Goldlund, within Wabigoon Greenstone Belt

- **Environmental Approval** at Goliath - accelerated co-development of Goliath and Goldlund
- Nearby town of Dryden (population 10,000) with an **experienced and available workforce**
- **World-class infrastructure** includes hydro power, natural gas, CP Rail and the Trans-Canada Highway
- **Extensive prospective strike length** at both properties, with strong potential to continue resource expansion in parallel with development;
- **Established district** surrounded by Tier 1 and Tier 2 mines



Source: Company presentation

Chairman Fisher comments further stating: "...The site is within 3,000 metres of the Trans-Canada Highway and rail corridors, 200 metres from a 115/230 kVa power line and 20 kilometres from the town of Dryden. The recently acquired Goldlund project is approximately 35 kilometres from Goliath by road, with 27 kms being a paved provincial highway. **We look forward to demonstrating the benefit of our first-class infrastructure on mine development costs and timelines.** In addition, with the region consolidated for the first time in its history, **we are excited to see the results of potential efficiencies between the two projects.**"

Note: Bold emphasis by the author.

Low costs + reasonable mine life + strong gold prices = A solid PEA. It really is that simple. Of course we will have to wait and see the results very soon.

We do have an earlier updated PEA just for the Goliath Project

with the results shown below and based on a gold price of US\$1,250/oz and silver price of US\$17.00/oz. It is now out of date and not be relied upon, but nonetheless adds to the picture. I would expect with the addition of Goldlund and higher gold prices today, we can expect an even better result in the upcoming PEA, but there are no guarantees until we see the result. I will let you make your own assessment.

Treasury Metals March 2017 updated PEA for the Goliath Project (historic)

Treasury Metals announced an updated preliminary economic assessment on its Goliath Project on March 8, 2017. This report is now considered to be historic and is not to be relied upon. Key Highlights include:

- After-tax NPV 5% of \$306M and 25% IRR
- Producing an average of 87,850 oz Au and 160,000 Ag annually over 13 years of mine life
- Payback Period of 4.1 years
- Low initial start-up CAPEX of \$133M
- LOM average feed grade of 3.81 g/t Au and 10.55 g/t Ag

Source: Treasury Metals Inc. website

Treasury Metals' 100% owned Goliath-Goldlund Project in Ontario, Canada (Resource estimate)

Goliath is a 50 km² tenement suitable to open pit and underground mining, with an M&I Resource of 1.23 Moz @ 2.36 g/t AuEq and an Inferred Resource of 0.23 Moz @ 3.51 g/t AuEq. The Goliath Gold Project has received environmental assessment approval by the Government of Canada and provincial permits are advancing.

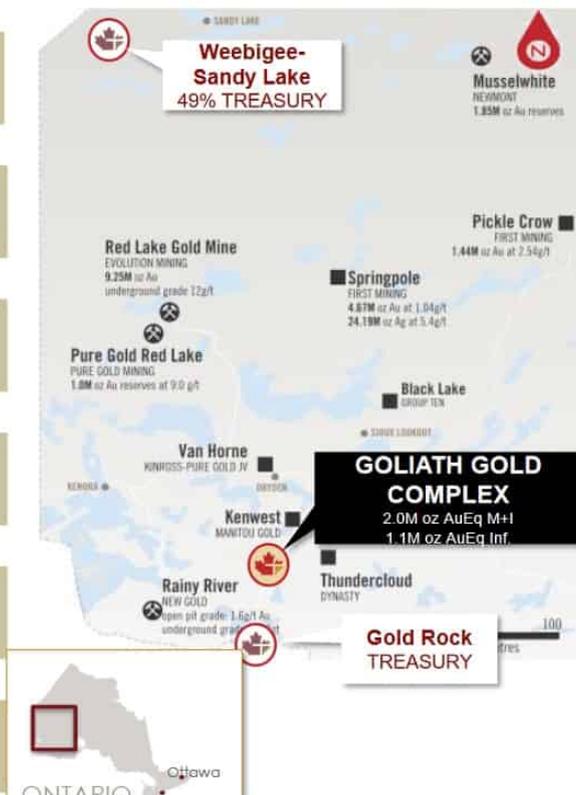
Goldlund is a 280 km² tenement with open pit potential with an Indicated Resource of 0.81 million oz @ 1.96 g/t Au and an

Inferred resource of 0.88 million oz @ 1.49 g/t Au.

Reasons to invest in Treasury Metals Inc.

Why Treasury? Developing Ontario's Next Gold Mine

-  Advancing Goliath Gold Complex to PEA in Q1 2021
Combined gold resources of 2.0 million ounces M&I and 1.1 million ounces Inferred
-  Project near existing infrastructure in Northwestern Ontario in one of world's best jurisdictions
-  Key federal environmental approvals in hand at Goliath
-  Significant exploration potential along strike at both properties
-  "Hub and spoke" model supports proven regional hub strategy
-  Development and construction focused CEO with strong board of directors



Source: Company presentation

Closing remarks

Treasury Metals currently trades on a market cap of C\$143 million. I cannot pre-empt what the Goliath & Goldlund Project PEA will be as that is purely speculation. What I can say is that I expect, based on a larger combined resource with multiple synergies and today's higher gold price, a potentially very pleasing PEA when released very soon in early Q1 2021. Stay tuned.

CBLT continues to build value for shareholders and looks set to benefit from Ready Set Gold

CBLT Inc. (TSXV: CBLT) had a great 2020 with the stock price up 200%. This is because the Company continues to make deals that add value for shareholders and avoids stock dilution, the latest deal being CBLT's 6.1% share in today's CSE listing of Ready Set Gold (CSE: RDY) ('RDY'), a promising gold exploration play. RDY is anticipated to commence trading on January 12, 2021 under the symbol "RDY" on the Canadian Securities Exchange (CSE).

CBLT Inc. offers investors exposure to multiple Canadian cobalt and precious metals projects, an equity share in RDY and any sale proceeds, and management's strong track record of deal making.

CBLT owns 1,833,333 shares (approximately 6.1%) of RDY. CBLT has received its first release from escrow of 458,333 free-trading shares. There are three remaining escrow releases of the same number of shares, to take place on or about April 18, June 18 and August 18, all in 2021. RDY's last financing was carried out at C\$0.75 per share, giving CBLT's holding an implicit value of over \$1,300,000. **CBLT Inc. stands to benefit by selling some of its RDY holdings as it comes out of escrow to mitigate downside risk and holding on to the remainder to ride the 'gold and Hemlo' wave.**

The Ready Set Gold announcement above gives a good summary of the company quoted below:

- "A basket of gold projects in the Hemlo area in Ontario with a focus on high-grade gold exploration and

development potential, including the 100% owned Northshore Gold Project hosting **Indicated Resources of 391,000 oz Au** in 12.36 million tonnes at a **grade of 0.99 g/t** and **Inferred Resources of 824,000 oz Au** in 29.58 million tonnes at **0.87 g/t Au** using a cut-off grade of 0.50 g/t Au. (NI43-101 Technical Report – 2014).

- A proven team of public company executives and explorers focusing on profitable exits for shareholders.
- Low share float of 29.8 million shares outstanding and 37.1 million shares fully diluted.”

Note: Bold emphasis done by the author.

The background on this deal involved CBLT Inc. selling its 56% share of the Northshore Gold Property Joint Venture to Omni Commerce Corp. (“Omni”). For the sale CBLT Inc. received \$350,000 in cash and \$1,100,000 in common shares of Omni. Subsequently RDY formed out of an amalgamation agreement dated August 12, 2020, between Omni and RDY, effectively meaning CBLT Inc. became a RDY equity holder.

A deeper look at Ready Set Gold (‘RDY’)

RDY states that its mission is to discover, expand, develop high grade, economic gold deposits on proven and prolific greenstone belts in Canada with an initial focus on Ontario. As mentioned above in the CBLT announcement RDY has already discovered significant gold ounces, or as reported in their presentation a total of 1.22 million ounces. The indicative market cap for the initial listing is C\$22 million fully diluted, which gives a market cap per ounce of US\$18/oz, well below most competitors. Of course RDY is a new listing and has a significant percentage of their gold still in the lower Inferred category, so this must be taken into consideration when comparing to peers.

2021 will see Phase 1 drilling of 3,000 meters of infill drilling and upgrading of the Inferred Resource. This will be

followed by Phase 2 drilling of another 3,000 meters, including of new targets. This should lead to plenty of news flow in H1 2021.

Ready Set Gold’s 3 key gold projects – Northshore, Hemlo Eastern Flanks, and Emmons Peak



Ready Set Gold company highlights



				
LOCATION	TEAM	OUNCES	STRATEGY	QUALITY
<p>A proven jurisdiction with many multi-million ounce neighbours that operate at industry leading low costs</p>	<p>A proven team of public company managers and explorers with a focus on profitable exits for shareholders</p>	<p>100% ownership of the Northshore Gold Project with a historical 2014 NI 43-101 Indicated Resources of 391,000 oz Au and Inferred Resources of 824,000 oz Au</p>	<p>A bold & fast-paced strategy to produce exciting short-term results for shareholders</p>	<p>An exceptional basket of projects with a focus on high-grade gold with exploration and development potential</p>

Source: RDY company presentation

About CBLT Inc.

CBLT Inc. is a project generator with a focus on quality cobalt projects in safe jurisdictions such as Canada. CBLT

has numerous projects in Canada. CBLT's flagship is the Copper Prince Project located in Falconbridge Township, in the Sudbury Mining District of Ontario, Canada. The Project has Cu-Ni-PGM and gold occurrences. Sample 616311 found 54.3g/t Au and 5,020 ppm (0.502%) Co. CBLT also owns the Chilton Cobalt Project in the Grenville Subprovince in Quebec, which contains two areas with large nickel-copper-cobalt-chromium findings. In total CBLT has its hands in over 10 projects in Canada. You can read more in my past articles [here](#) and [here](#).

Closing remarks

CBLT Inc. still has a low market cap of only C\$4.7 million despite their tremendous stock price performance in 2020. By buying into CBLT Inc. investors gain exposure to over 10 projects in Canada with base metals (Co, Ni, Cu) and precious metals potential (Au, Ag, PGMs), some equity exposure in Ready Set Gold which is due to list today, and management's deal making skills that has a proven track record of adding value for shareholders without stock dilution. Be quick!

Will 2021 be the year of M&A in the gold industry?

2021 looks like being a record year for monetary stimulus, and this should mean a strong year for gold prices. Given the difficulty and cost in finding new gold discoveries and the potential for higher gold prices a year from now, it looks likely that 2021 will see plenty of action in the mergers and acquisition (M&A) space for gold companies.

Flush with cash and while interest rates remain low, mid-tier and large-tier gold miners will be looking to boost their gold

reserves/resources by acquiring promising junior gold miners. Today I look at some of the junior gold miners that have significant gold resources that would be ripe for takeover.

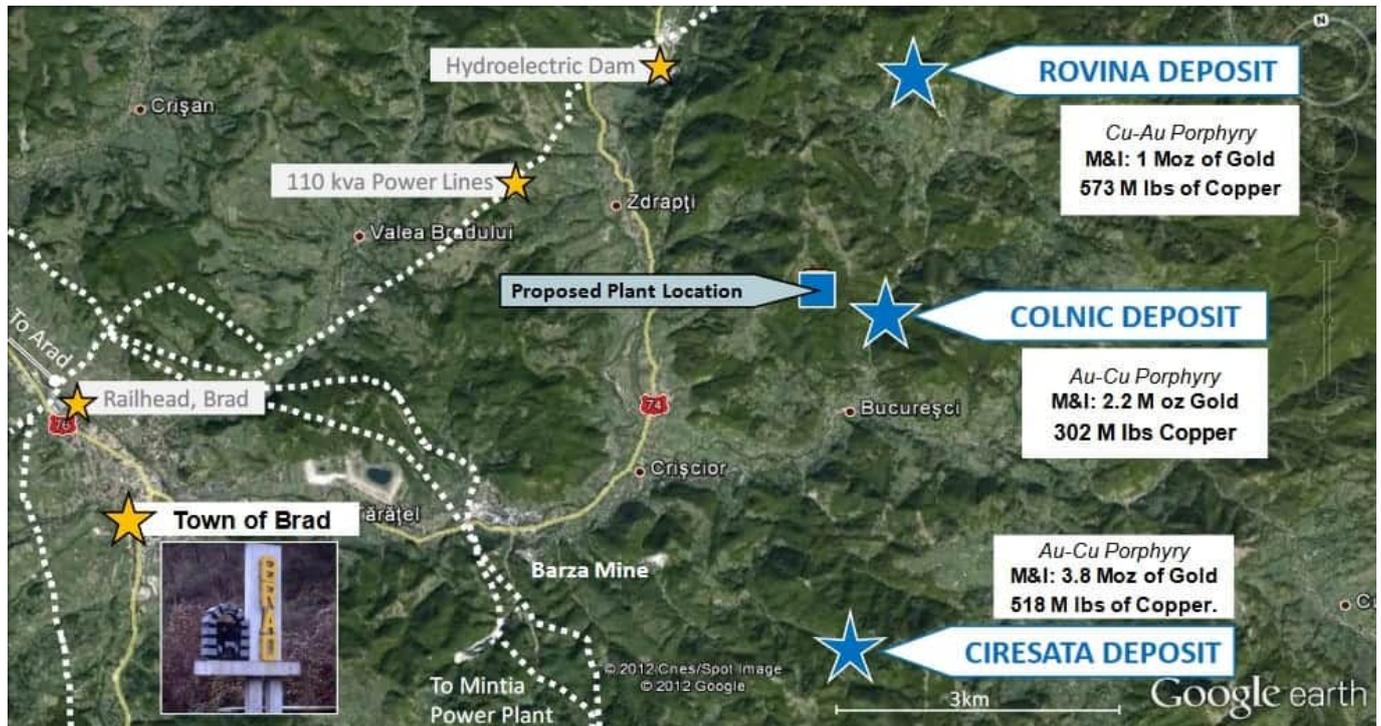
Troilus Gold Corp. (TSX: TLG | OTCQB: CHXMF)

Troilus Gold has a market cap of just C\$163 million (US\$128 million) and has one of the largest undeveloped gold resources in Canada. The Troilus Project, located in Quebec Canada, has an Indicated Resource of **4.96 million** ounces of contained AuEq @ 0.87g/t AuEq and an Inferred Resource of **3.15 million** ounces of contained AuEq @0.84g/t. Valuable by-products include copper and silver. At gold US\$1,950 the PEA post-tax NPV5% is US\$1.156 billion and the Project has US\$350 million worth of existing infrastructure in place. I could definitely see some gold companies taking a look at Troilus Gold in 2021. You can read more here.

Euro Sun Mining Inc. (TSX: ESM)

Euro Sun Mining is developing their large 100% owned gold-copper porphyry Rovina Valley Project in Romania. The Project has a M&I Resource of 7.05 million gold ounces and 1.39 billion copper pounds, a completed positive 2019 PEA, and a 20 year renewable Romanian Mining Licence. The Rovina Valley Project intends to be a large-scale bulk tonnage open pit mine for gold and copper production. On a market cap of C\$55 million (US\$42 million) Euro Sun Mining could attract considerable interest from larger gold miners comfortable with the Romanian sovereign risk. You can read more here.

The Rovina Valley Project is comprised of three main deposits less than 3kms apart – Rovina, Colnic, & Ciresata (combined M&I 7M ozs gold & 1.39B lbs copper)



Source

Ascot Resources Ltd. (TSX: AOT | OTCQX: AOTVF)

Ascot Resources has a market cap of C\$401 million (US\$316 million) and a M&I Resource of 7.3Mt @ 7.85g/t & Inferred 5.5Mt @ 7.11g/t (containing ~ **3.1 Mozs of gold & 11.6 Mozs of silver**), noting this includes only 48% of the resource that was included in the 2020 Feasibility Study (FS). The FS post-tax NPV 5% is C\$341 million (at US\$1,400/oz Au), with a post tax 51% IRR. An initial low CapEx of C\$147 million is also favorable, as is the low forecast All In Sustaining Cost (AISC) of US\$769/oz. Assuming a spot gold price of US\$1,710 per ounce and spot CAD to US exchange rate of 0.71, the project economics increase to an post-tax NPV5% of C\$602 million and IRR of 78%.

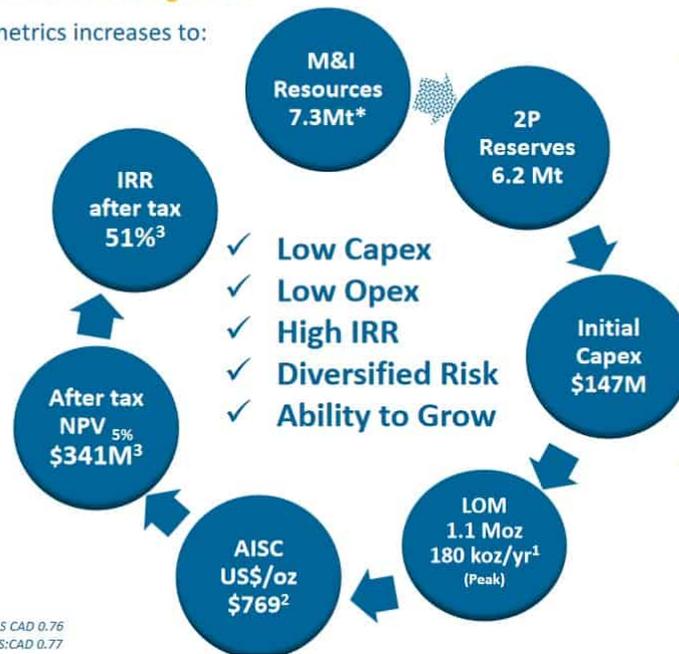
SUMMARY OF THE FEASIBILITY STUDY

Economically Robust Project



At spot prices⁴ after tax metrics increases to:

- NPV_{5%} \$578M
- IRR 76%
- 1.4 year payback



Total Resources **12.8 Mt**
 ~48% in the mine plan
M&I 7.3Mt @ 7.85g/t & Inferred 5.5Mt @ 7.11g/t
 (containing ~ **3.1 Mozs of gold & 11.6 Mozs of silver**)

Converted **85% of M&I** to reserves with additional **2.2 Mt** of inferred within 100m of mining infrastructure

One of the lowest capital intensities (**US\$94/oz**) of North American Developers

Notes

1. Fully ramped up yrs. @ 2500 tpd in year 3
2. All in Sustaining Cost (non GAAP)
3. Base Case US\$1400/oz. Gold: US\$ 17 Silver US CAD 0.76
4. Spot US\$1800/oz Gold, Silver US\$23.00/oz :US:CAD 0.77

Source

Closing remarks

It is looking very likely we will have a stronger gold price in 2021 as the Biden administration looks to boost stimulus monies into the US economy. The COVID-19 stimulus checks and a possible 2 trillion green infrastructure plan will likely be just the beginning of stimulus in the Biden era. For investors this means well valued gold junior miners can do very well in 2021. Those that become takeover targets can do even better.

All three gold juniors discussed above are strong takeover candidates in 2021, or at the very least should benefit if gold price rises in 2021. This is because they all have very significant amounts of gold but their market caps are still not too high.

InvestorIntel would be happy to hear from any gold juniors that think they are undervalued and possible takeover targets in 2021, as well as investor's thoughts on any attractive gold juniors.

Further reading

- Will 2021 be a golden year for gold investors?

Disclosure: The author is long Troilus Gold Corp. (TSX: TLG)

Drolet Stock Notes on Durango Resources: Quebec Gold explorer in Urban-Barry township near Osisko Mining

Mario Drolet, President of MI3 Communications Financières Inc. (MI3), released his Drolet Stock Notes on Durango Resources Inc. (TSXV: DGO | OTCQB: ATOXF) on January 11, 2021 for exclusive distribution on InvestorIntel. Highlights include:

- Durango is positioned for discovery holding a 100% interest in the Trove and East Barry claim blocks in the most active gold exploration camp in Quebec.
- Durango has received drill permits for the East Barry claim block to test high priority targets coincident with high till anomalies of up to 2.19 g/t gold and pristine gold grains in till trend.
- The drilling is scheduled to begin on January 11th with two exploration holes on the East Barry Property budgeted for depths of approximately 750m each.
- To date, 2,100m has been drilled over nine holes on the Trove Property at an average depth of 233m.
- DGO traded over 9.0 Million shares between \$0.06 & \$0.15 since November 2
- Support: S2; \$0.08 S1; \$0.095 Resistance: R1;

\$0.10 R2; \$0.12



About Durango

Durango is a natural resources company engaged in the acquisition and exploration of mineral properties. The Company is positioned for discovery with a 100% interest in a strategically located group of properties in the Windfall Lake gold camp in the Abitibi region of Québec, Canada.

PLEASE DO YOUR DUE DILIGENCE

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Peter Clausi with David Morgan on the rising interest in silver for 2021

In a recent InvestorIntel interview, Peter Clausi speaks with David Morgan of The Morgan Report, about investing in silver, the silver market and the source of the rising demand.

In this InvestorIntel interview, which may also be viewed on YouTube (click here to subscribe to the InvestorIntel Channel), David went on to say that he is bullish on silver and also commented on the gold to silver ratio. He said, "It is good for looking at long term trends and preview what you might use as an exit strategy." He further added, "Gold has outperformed at this time, but silver is catching up and will continue to outperform."

"Based on our current economic situation globally you should have some physical metal," David commented. "Then you gain leverage by going into mining equities. A lot silver stocks have done quite well."

To watch the complete interview, click here
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