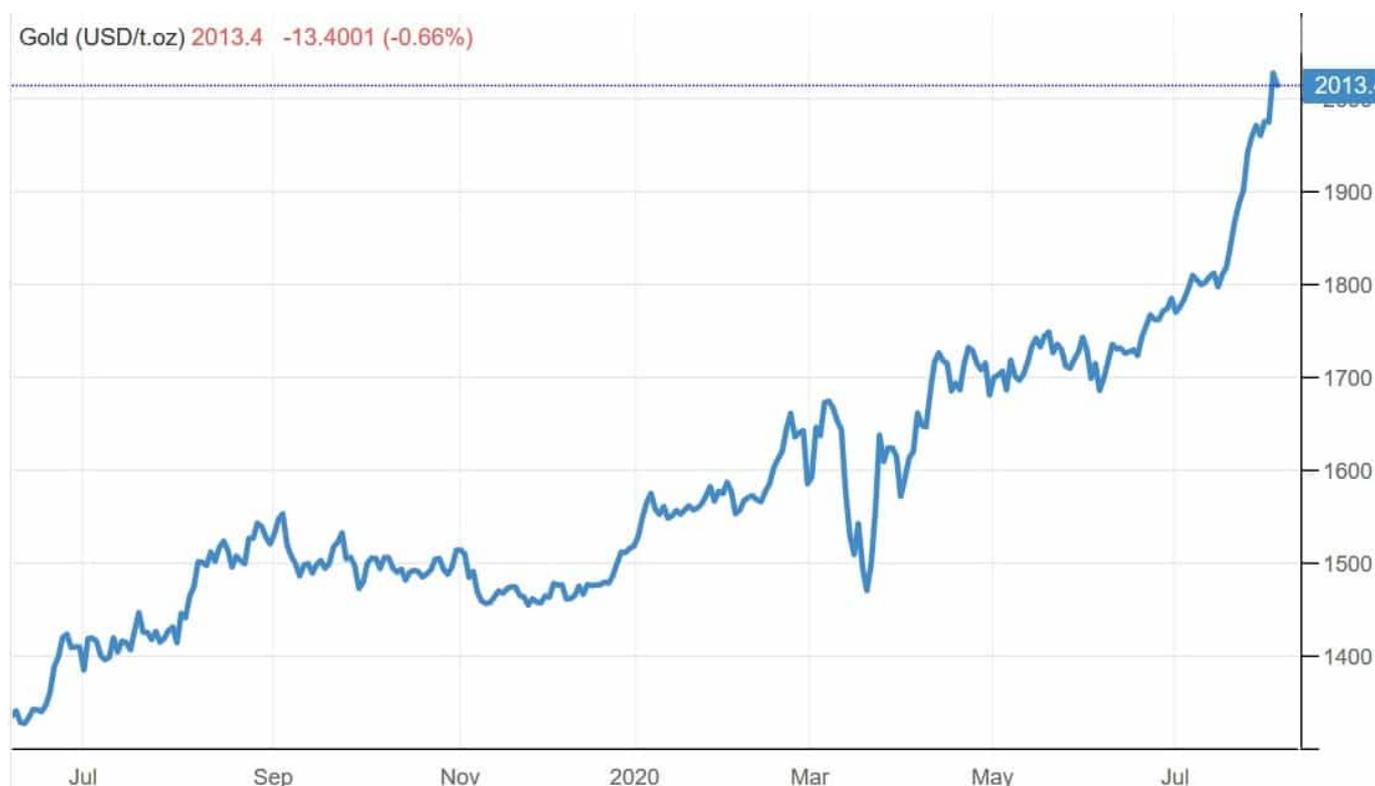


# Winners flying high as gold hits US\$2,000/oz

## A look at some winners and who might be the next

Gold just hit a new all-time record high, breaking through the US\$2,000/oz mark as the gold bull run continues in 2020. Gold started 2020 at US\$1,498, and as I write this article is at US\$2,013, for an impressive 37% gain YTD. Many gold miners are up much more than that due to their leverage to the gold price. Today we look at some of the strong performers and some others that may soon play catch up.

### Gold breaks through US\$2,000/oz to hit a new record high



Source: Trading Economics

Looking at the gold companies we follow at InvestorIntel, here are the past 1 year performances:

- Alkane Resources Ltd. (ASX: ALK | OTCQX: ALKEF) – Up 264%
- Angkor Resources Corp. (TSXV: ANK | OTC: ANKOF) – Down 18%
- Euro Sun Mining Inc. (TSX: ESM) – Up 46%
- Granada Gold Mine Inc. (TSXV: GGM) – Up 83%
- Harte Gold Corp. (TSX: HRT) – Down 36%
- West Red Lake Gold Mines Inc. (CSE: RLG | OTCQB: RLGMF) – Up 126%

Alkane Resources had the best year of the above group as they continued to produce good volumes of gold in a rising gold price environment. Harte Gold had the least impressive year of the group as their mine had start up issues and a COVID-19 interruption. They also had higher operating expenses (OpEx) as they have not yet dug deep enough to reach the high grade gold.

Reviewing the top 5 performers yesterday on InvestorChannel's Gold Watchlist Update, we see Granada Gold doing the best, up an impressive almost 35% on no news.

**The top 5 gold performers yesterday as gold broke through US\$2,000/oz**

- Granada Gold Mine Inc. (GGM.V)  
- CAD 0.29 (34.88% - Volume: 1,853,824)
- Gold Terra Resource Corp. (YGT.V)  
- CAD 0.45 (21.62% - Volume: 2,077,844)
- Eastmain Resources Inc. (ER.TO)  
- CAD 0.28 (7.55% - Volume: 4,159,939)
- McEwen Mining Inc. (MUX)  
- USD 1.45 (7.41% - Volume: 5,382,815)
- Novagold Resources Inc. (NG)  
- USD 9.56 (6.46% - Volume: 2,164,707)

Source: InvestorChannel's Gold Watchlist Update

Just last month I wrote "Granada Gold looks to be 'underestimated' by the market as drilling continues" and it looks like the market agreed with this yesterday.

Looking ahead, it is abundantly clear that those gold miners that can deliver will be handsomely rewarded. Investors need to always review the management to see if they have a good track record. Certainly if a gold miner can either increase their production and profits, grow their resource, or discover more gold (ideally high grade above 5 g/t), then at US\$2,000/oz the shareholders will likely be very well rewarded.

Of the seven gold stocks InvestorIntel covers above, all look promising in a strong gold price environment.

Even the laggards Angkor Resources and Harte Gold can turn things around very fast. In the case of Angkor the current

market cap (C\$14m) looks cheap considering their numerous gold, silver, base metals, oil & gas exploration assets in Cambodia. With Harte Gold it is more just a matter of patience as the mine gets deeper they can access the higher grade gold, thereby reducing operating costs and increasing profits. This means investors willing to give the Company another 1-2 years may be well rewarded at the current reduced market cap (C\$132m). Quebec Precious Metals is probably the most unloved and under the radar gold miner of the group covered, explaining their 0% one year return. With some good past drill results (1.15 g/t over 80.1 m, 14.20 g/t Au over 2 m, 5.05 g/t Au over 5.06 m, and 4.66 g/t Au over 3.50 m) and further results expected soon, a maiden resource estimate at the Sakami Project due by late 2020/early 2021, and with a market cap of just C\$18m, this is one to get excited about. You can read more in my recent article "Quebec Precious Metals announces a 'very promising gold discovery' in James Bay."

Of the recent winners – namely Alkane Resources, Euro Sun Mining, Granada Gold Mine, and West Red Lake Gold Mines – I would probably say Granada Gold Mine appears to have the most exciting potential given their existing ~1.2m I&I gold Resource, some exciting high grade drill results (including 11.45 g/t gold over 33 meters), and a market cap of only C\$27m. West Red Lake Gold Mines also continues to look very promising after the one year +126% return. That's because West Red Lake's 3,100 hectare property has a 12 km strike length and 3 former gold mines, and contains 1.1 million inferred ounces of high-grade gold (7.57g/t) open at depth. The market cap is still only C\$30m.

What a wonderful time to be following the gold miners. Let's hope the Bank of America forecast comes true and I am writing about US\$3,000/oz gold in the near future.

Disclosure: The author Matthew Bohlsen owns shares in Harte Gold, Eastmain Resources and Granada Gold. The information in this article is general in nature and should not be relied

upon as personal financial advice.

---

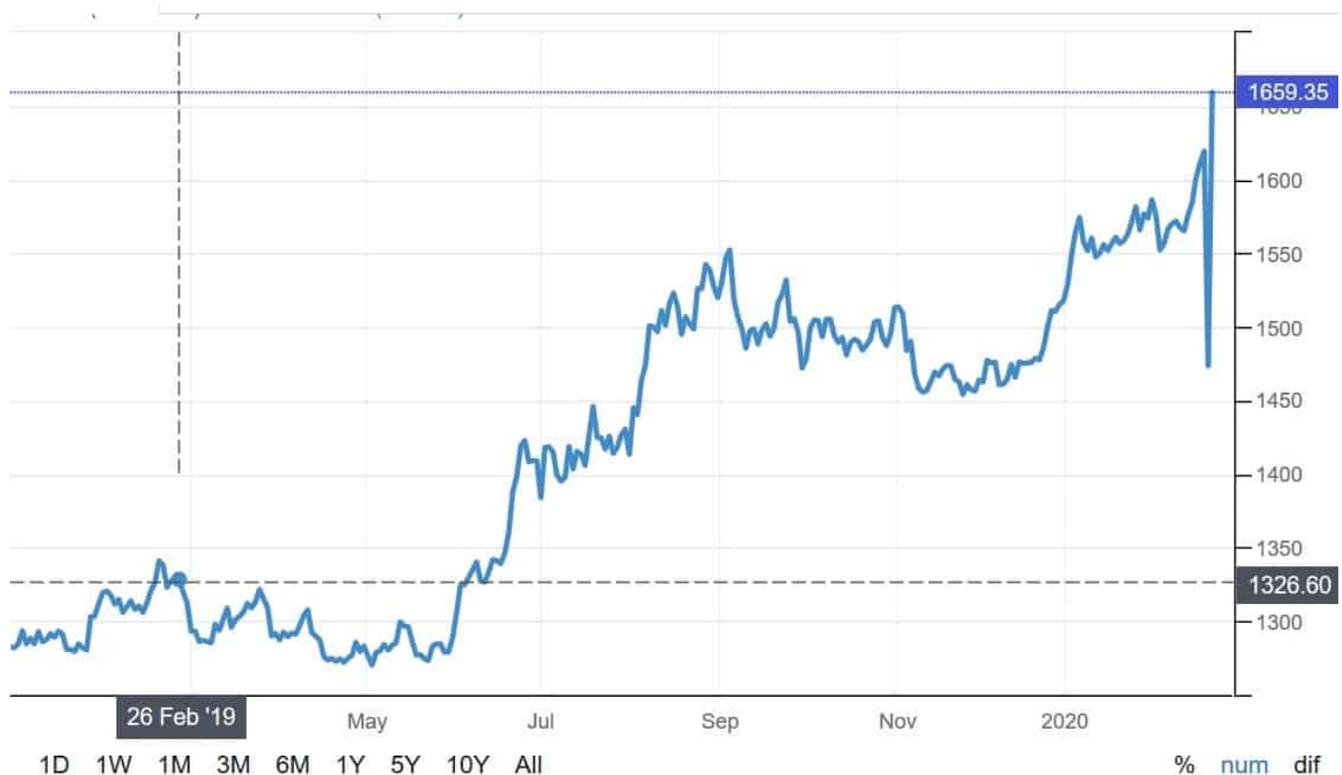
# **Gold rises as the coronavirus threatens to become a pandemic**

Gold is up ~25% over the past year and is up ~12% in 2020 outperforming almost all commodities so far this year. Of course, I should mention the emissions metals palladium and rhodium which were up 75% and 366% over the past year respectively.

## **Gold rises as coronavirus threaten to cause a pandemic**

The coronavirus and the threat of a pandemic are driving gold prices higher in 2020. A pandemic is defined as “an epidemic of disease that has spread across a large region; for instance multiple continents, or even worldwide.....” It also needs to be unstable, that is, new cases rising significantly.

**Gold is up ~25% over the past 1 year – Now at US\$ 1,659**



## Some history of flu virus pandemics

Some recent flu pandemics include: HIV, Spanish flu, and the 2009 swine flu.

- **The Swine flu pandemic (2009/10)** was an influenza pandemic that killed ~201,200 people worldwide. It ran for about 16 months from April 2009 – 10 August 2010.
- **The Spanish flu pandemic (1918-20)** infected 500 million people around the world, or about 27% of the then world's population at the time. The death toll is estimated to have been 40-50 million, and possibly as high as 100 million, making it one of the deadliest epidemics in human history. It should be noted that World War I was a factor.

## Gaining some perspective

It is estimated that the seasonal flu kills between 291,000 to 646,000 people worldwide each year, mostly the very old or the very young, or those with weakened immune systems.

To date, the coronavirus has caused 2,619 deaths.

## Coronavirus cases, deaths, and recovered cases as of February 23, 2020

Coronavirus Cases:

**79,561**

[view by country](#)

Deaths:

**2,619**

Recovered:

**25,076**

## Coronavirus deaths versus seasonal flu deaths so far in 2020

**2,619** Coronavirus deaths this year

---

**72,721** Seasonal flu deaths [this year](#)

---

### Source

What this means is that currently, the coronavirus is not yet a huge concern, even if we assume China's statistics are not accurate and that global cases were in fact 10x worse at 26,190 deaths. That would still only be 36% of the seasonal flu death toll. My conclusion, for now, is that the coronavirus 'at this stage' is still only a 'potential' significant threat to the global population and economy.

Economic disruption has been greater so far due to China's measures to try to contain the virus; however recent numbers in China suggest new cases are falling and workers are returning to work.

However given what we know from history that pandemics can cause millions of deaths then it would be very wise for

investors to add some insurance to their portfolios, just in case, the coronavirus does become a severe pandemic. Two ways to do that are to build up your cash levels and buy some gold or quality gold stocks.

## **9 gold stocks we are following at InvestorIntel**

### **Alkane Resources Ltd. (ASX: ALK | OTCQX: ANLKY)**

Alkane Resources is a gold production company with multi-commodity exploration and development projects predominantly in the Central West region of NSW, Australia. The Tomingley Project is expected to produce about 30,000 to 35,000 ounces of gold for FY20 at an AISC of A\$1,250 to A\$1,400 per ounce, in line with the recent move to underground mining. Alkane is also ramping up nearby regional gold exploration to help support the feed at the Tomingley Mill. The Company is also well known for its rare earths project known as the Dubbo Project which has a potential mine life of 70+ years. You can read more here.

### **Angkor Resources Corp. (TSXV: ANK)**

Angkor Resources (formerly Angkor Gold) is the first North American publicly-traded mineral exploration company in Cambodia. Angkor Gold is a project generator with a focus on gold exploration, and in more recent times oil and gas exploration. They have a huge land package (983 km<sup>2</sup>) in Cambodia with multiple prospects focused on gold, silver and base metals. Their oil and gas exploration license is known as Block VIII (7,300 km<sup>2</sup> concession). You can read more here.

### **Eastmain Resources Inc. (TSX: ER | OTCQX: EANRF)**

Eastmain is a Canadian gold exploration and development company focused on the James Bay area, Quebec, Canada. Eastmain has several gold projects; however, their flagship is the advanced Eau Claire Project with an open pit and underground M&I Resource estimate of 853,000 oz Au, grading

6.18 g/t. In total, Eastmain has a pipeline of 11 exploration projects ranging from early exploration to pre-development. You can read more here.

### **Euro Sun Mining Inc. (TSX: ESM)**

Euro Sun Mining is advancing its 100%-owned Rovina Valley Project, located in west-central Romania. It is the second-largest undeveloped gold deposit in Europe. Euro Sun has an M&I resource of 7.05 million gold ounces and 1.39 billion copper pounds at their Rovina Valley Project. In addition, Euro Sun has discovered four new gold-copper porphyry targets, with a cluster of three porphyry targets just 1.5 km apart from each other, only 6 km east from their existing Project. Grades are lower however that is normal in large size copper-gold porphyries. You can read more here.

### **Granada Gold Mine Inc. (TSXV: GGM)**

Granada Gold is a Canadian junior mining and exploration company with gold and silver properties in Quebec and Ontario. The Company's current focus is directed towards the development and continued exploration of the Granada Property situated in the heart of the famous Abitibi Greenstone Belt and along the prolific "Cadillac Trend". Drill results have been promising including from surface 7.67 g/t over 15 metres. You can read more here.

### **Harte Gold Corp. (TSX: HRT)**

Harte Gold Corp. commenced gold production in early 2019 at their wholly owned Sugar Zone underground mine in White River Ontario, Canada. The current Resource estimate is 1,108,000 contained gold ounces @8.12g/t Indicated and 558,00 contained gold ounces @5.88g/t Inferred. There is also excellent exploration upside with a 30 km strike potential with only 5km so far explored, over a massive 79,335 hectares land package. Full-year 2020 guidance is 42,000–48,000 ounces of gold production at an AISC estimate of US\$1,475–US\$1,650 per ounce.

Costs are expected to fall in subsequent years as the mine gets deeper and reaches higher grades. The mine is planned to ramp up to 61,000 Au ounces pa over an initial 14 year mine life. You can read more [here](#).

### **Signature Resources Ltd. (TSXV: SGU | OTCQB: SGGTF)**

Signature Resources is a Canadian gold exploration company with advanced and early exploration assets. Their core asset encompasses the Lingman Lake Gold Mine in northwestern Ontario, Canada. Signature Resources has a historic resource estimate of 234,648 oz of contained gold, grading 6.86 g/t, over an area of 9,896.8 hectares. The Company's other assets include two new early exploration projects: Lingside West and Lingside East. All three projects are located within the Lingman Lake greenstone belt. Signature plans to advance and expand these projects centering on targeted diamond drilling of the high-grade gold zones. Some good airborne geophysical surveys results in 2019 are also positive for further exploration in a new area "known to host over 40 mineral occurrences, reported to contain gold, copper and molybdenum mineralization." This area is situated 12.5-kilometers west of the Lingman Lake gold mine. You can read more [here](#).

### **TNR Gold Corp. (TSXV: TNR)**

TNR is a project generator that focuses on gold and the key energy metals, copper and lithium. TNR Gold's current three main projects involve gold in Alaska, copper and gold in Argentina, and lithium in Argentina. A 2013 resource estimate at their Shotgun Gold Project in Alaska resulted in an Inferred Resource of 20,734,313 tonnes at 1.06 grams per tonne (g/t) gold for a total of 705,960 ounces gold (Au). TNR holds a 0.36% net smelter return royalty on the 100% owned McEwen Mining Los Azules Project, and a 1.8% NSR royalty on the Mariana Lithium Project in Argentina which is being developed by a JV with Ganfeng Lithium and International Lithium (ILC). You can read more [here](#).

## **West Red Lake Gold Mines Inc. (CSE: RLG | OTCQB: RLGMF)**

West Red Lake Gold Mines is focused on gold exploration and development in the prolific Red Lake Gold District of Northwestern Ontario, Canada. The district is host to some of the richest gold deposits in the world and has produced 30 million ounces of gold from high grade zones. West Red Lake's 3,100 hectare property has a 12 km strike length and 3 former gold mines (Rowan Mine, Red Summit Mine, Mount Jamie Mine), and contains 1.1 million inferred ounces of high grade gold (7.57g/t) which remain open at depth. You can read more here.

---

## **Eight gold plays that may surprise you in 2020 – Part 2**

Legendary investor and billionaire Ray Dalio recently stated: "The world has gone mad and the system is broken." My personal favourite, renowned investor Jim Rogers recently stated: "Buy gold coins and silver coins as global crisis is coming." Other big names in mining such as Frank Guistra, Rick Rule, and Eric Sprott are all saying we are likely about to begin a gold bull run. In September 2019 Frank Guistra stated: "This is going to be an explosive gold market", heading towards US\$1,900/oz. If that happens gold would set an all time record high breaking the past high of ~\$1,890 an ounce in 2011. Gold mining CEO Rob McEwen thinks gold is going much higher, as high as US\$5,000/oz. There are even others that have long been forecasting gold to go as high as US\$10,000/oz.

Given the world's enormous debt and political problems right now, it would certainly be wise for investors to hedge some of that risk by owning some gold stocks.

In Part 1 we looked at four small cap gold stocks, 2 in production, and 2 that are just a few years away from production. In Part 2 we look at three gold stocks, with good exploration potential.

## Gold price 21 year history



## Granada Gold Mines Inc. – Market cap C\$8 million

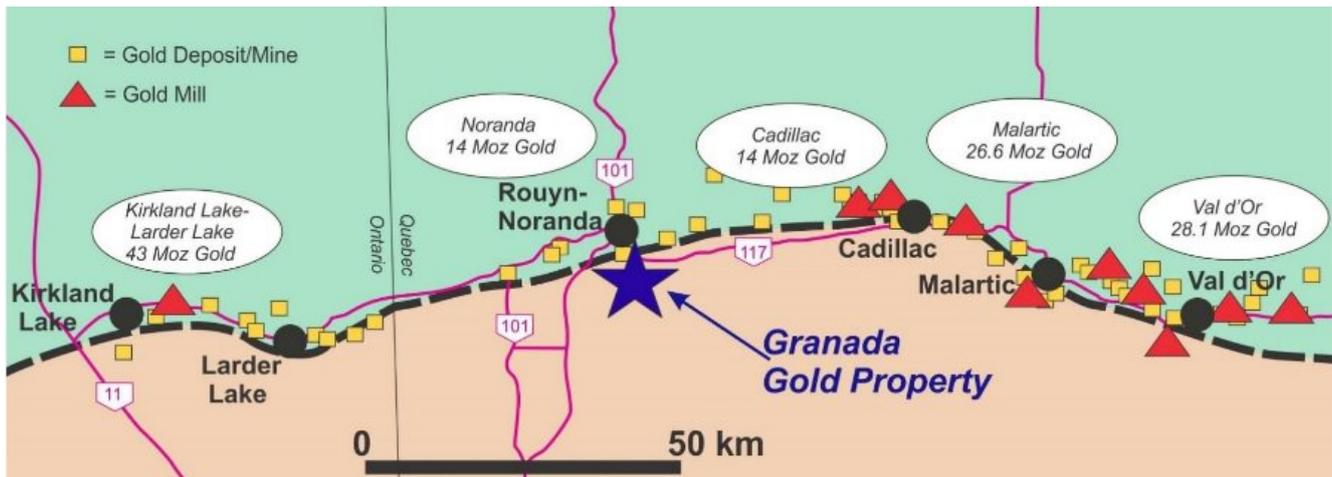
Granada Gold Mine Inc. (TSXV: GGM) is a Canadian junior mining and exploration company with gold and silver properties in Quebec and Ontario. The Company's current focus is directed towards the development and continued exploration of the Granada Property situated in the heart of the famous Abitibi Greenstone Belt and along the prolific "Cadillac Trend". The Cadillac Break Trend has produced >75 million ounces of gold in the past 100 years.

Recent drill results have been promising including from surface 7.67 g/t over 15 meters. When discussing the Companies recent drill results President and CEO Frank Basa stated: "These preliminary results highlight the potential of near-surface, underground high-grade potential and are in line with historic production grades of 8 to 10 grams per tonne gold

when it was mined in the thirties from the two shafts.”

With such a small market cap and promising high grade drill results investors will need to be quick or risk missing out. Investors can learn more here.

## **Granada Gold Mines tenements sit along the prolific Cadillac Break Trend**



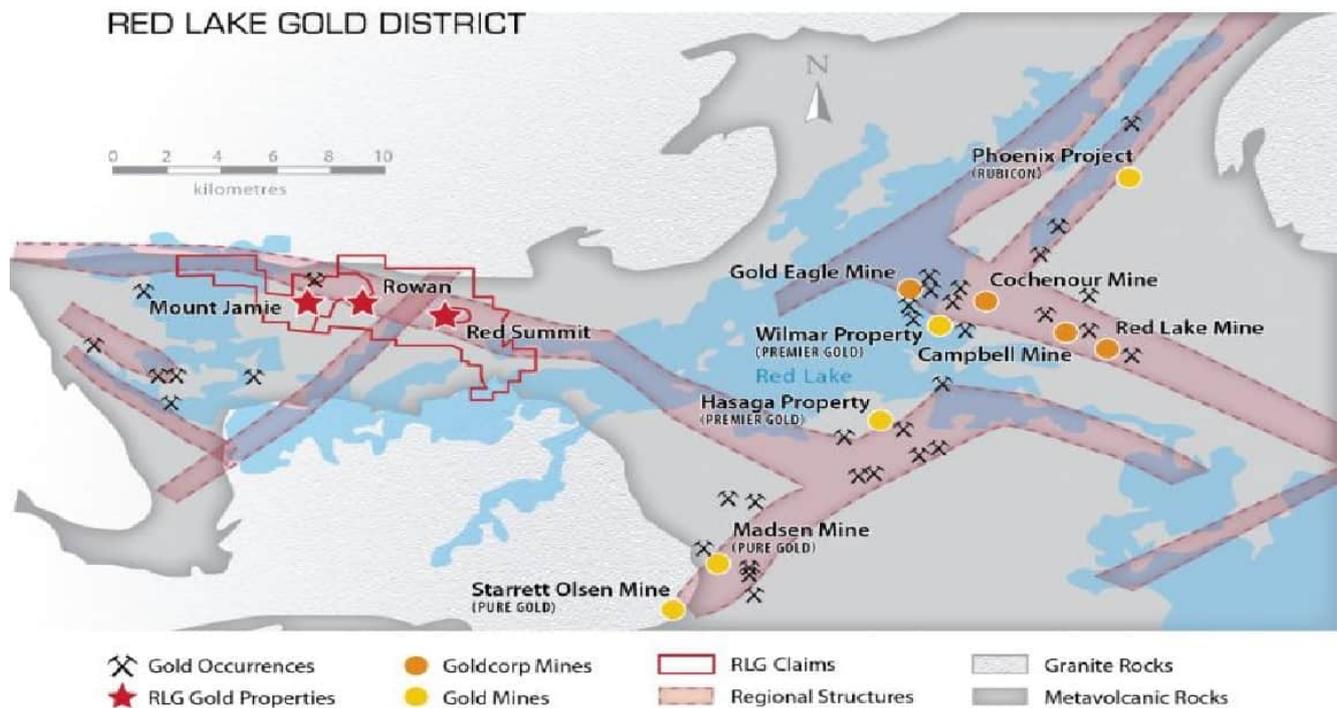
## **West Red Lake Gold Mines – Market cap C\$6 million**

West Red Lake Gold Mines Inc. (CSE: RLG | OTCQB: RLGMF) is focused on gold exploration and development in the prolific Red Lake Gold District of Northwestern Ontario, Canada. The district is host to some of the richest gold deposits in the world and has produced 30 million ounces of gold from high grade zones. West Red Lake's 3,100 hectare property has a 12 km strike length and 3 former gold mines (Rowan Mine, Red Summit Mine, Mount Jamie Mine), and contains 1.1 million inferred ounces of high grade gold (7.57g/t) which remain open at depth.

The Mount Jamie Mine and Red Summit Mine properties are 100% owned by the Company, and the Rowan Mine property is held in a 60%-owned joint venture with Goldcorp Inc. (40%).

Exceptionally low market cap given the 1.1 million oz inferred resource, high grade, and exploration potential. Investors can learn more here.

## West Red Lake Gold Mines 3 main projects and tenements (shown in red)



## Signature Resources Ltd. – Market cap C\$4 million

Signature Resources Ltd. (TSXV: SGU | OTCQB: SGGTF) is a Canadian gold exploration company with advanced and early exploration assets. Their core asset encompasses the Lingman Lake Gold Mine in northwestern Ontario, Canada. Signature Resources has a historic resource estimate of 234,648 oz of gold, over an area of 9,896.8 hectares. The Company's other assets include two new early exploration projects: Lingside West and Lingside East. All three projects are located within the Lingman Lake greenstone belt. Signature is poised to advance and expand these projects centering on targeted diamond drilling of the high-grade gold zones.

With such a tiny market cap any strong drill results could easily double or triple the stock from here. Investors can learn more here.

## Signature Resources Lingman Lake Gold Mine location map



In this series ([click here for Part I](#)), I have covered eight gold companies, all with enormous potential. The experts all agree a gold bull run is coming. The question is what stocks to buy. Investors should be reminded that generally risk and reward gets higher in smaller companies. As we approach the festive season wouldn't it be nice to have a few big wins in the gold sector, especially as insurance in this current debt-ridden world we live in.