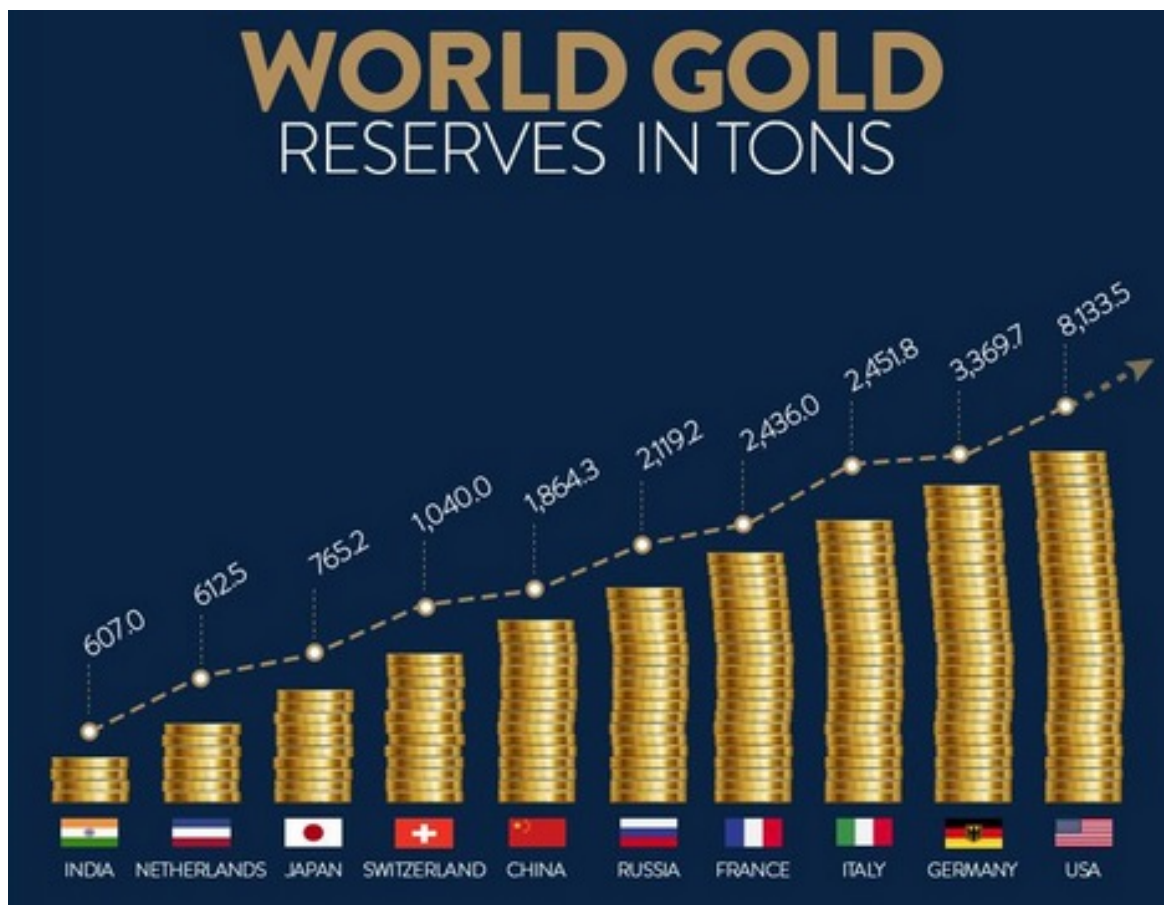


Eastmain completes winter program as China and Russia continue to amass gold bullion

It has been estimated by the World Gold Council, that as of end 2017, all the gold mined amounted to [190,040](#) metric tons, increasing by about 2,500-3,000 tonnes pa. During most of human history, a nation's gold reserves were considered a key to its financial wealth and a major prize of war. Estimates have the total value of all gold ever mined exceeding US\$7.5 trillion (using WGC 2017 estimates). For now, the US has the largest official gold reserves but China and Russia are climbing fast.



World gold reserves by country – Source: Goldmoney.com

China and Russia are buying gold and building up their gold reserves

China has been stockpiling gold in a way that gives speculation to a gold backed Yuan currency. Purchasing on the quiet allows China to buy gold at lower prices, and they are buying in such a way so as not to push prices up.

Even countries like Serbia, Greece, Ecuador, Mexico, Kazakhstan, Kyrgyzstan, and Tajikistan are rapidly buying gold. But it's been reported no one is buying gold at a faster pace than [Russia](#), as the country's central bank has almost doubled its gold holdings within the last 5 years.

Given the global state of disarray with ongoing trade wars deepening between the US and other countries (China, Europe, Canada, Japan, etc), it is not really so surprising that most countries are starting to reduce their US bond purchases and buy gold instead. A falling US dollar would also make gold relatively more valuable.

[Eastmain Resources Inc.](#) (TSX: ER | OTCQX: EANRF) is a Canadian exploration company advancing three high-grade gold assets in the emerging James Bay gold camp in Québec. Eastmain's district-scale land package totals 109,000 hectares covering three key projects: Clearwater (100% owned), Eastmain Mine (100% owned) and Eleonore South Joint Venture (36.72% owned).

At Clearwater, the Eau Claire advanced project has a Measured & Indicated Resource of 853,000 ounces of gold grading 6.18g/t Au, with an additional 500,000 ounces of gold inferred at 6.53g/t. The May 2018 PEA results for Eau Claire included a post-tax NPV5% of C\$260 million and a 27% post-tax IRR. The Eastmain gold deposit currently contains 236,500 ounces of gold grading 8.19 g/t in Indicated category, 139,300 ounces of gold grading 7.48 g/t in the Inferred category, with potential growth of the resource and nearby mineralization along a 10 km

mine trend. Elanore South has exciting potential as seen by drill hole DDH100 finding [42.4 g/t Au](#) over 7.0 m.

Overall Eastmain Resources Inc. has a pipeline of 11 exploration projects supported by nearby infrastructure in the form of permanent roads, airports, and power. The relatively underexplored James Bay gold district in northern Québec is the youngest emerging gold camp in the Canadian Shield.

Location map showing gold mining projects in the James Bay region



Eastmain in James bay

Latest News – Eastmain Drills 14.5 m of 2.57 g/t Au near-surface

The Company [recently reported](#) (May 13, 2019) results for a further 7 drill holes in its 2019 winter program, at the Percival discovery, on its 100% owned Clearwater Property in James Bay. 17 drill holes totaling 4,659 meters now completes the winter program, now leaving only 4 holes pending on assay results.

Claude Lemasson, President and CEO commented: “The results of

the step out drilling to the east are beginning to illustrate three gold zones appearing over a significant strike of 650 m. We are quite excited to continue exploring this discovery and related new exploration targets so close to our Eau Claire Project.”

Program highlights included:

- The identification of 3 main east-trending zones of mineralization.
- ER19-839: 2.57 grams per tonne gold (“g/t Au”) over 14.5 m.
- First instance of a significant gold intercept in a graphitic shale unit.
- Extension of mineralized silicified breccias to depth by 100 m.
- Follow-up Ground Exploration Spring Campaign (May-July).

Eastmain Resources offer investors a high-grade gold triple play in the very promising James Bay Quebec, Canada region. Eastmain has a market cap of just C\$ 28 million despite having ~1.089 million ounces indicated and 639,000 ounces of inferred gold, totaling 1.728 million ounces of gold. The grade is good (6 to 8 g/t Au) resulting in a very low AISC for Eau Claire of US\$574/0z. Access, infrastructure, and jurisdiction (Canada) are all excellent with low risk. The Company plans a resource upgrade by early 2021 (with a targeted resource of ~3m Au ounces), and hopes to be producing gold by late 2022/early 2023.

Eastmain Resources could be in the right place to take advantage of the current global uncertainties, especially if the US dollar falls and/or gold prices rise. Right now many US dollar and US bond investors are not sure what to do. Hedging with some gold and a gold junior with a gold resource seems a wise bet at this time. The gold story may be about to get very interesting.