

# One of the fastest moving gold plays that everyone should be watching

If it is true what analysts have been saying recently and the price of gold is about to hit its next cycle sending the price of an ounce to \$1500 in 2019; then probably a good place to look for new gold investments would be the prolific James Bay region of Quebec Canada.

[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, Canada. Eastmain's strategy is to advance, develop and ultimately operate these key assets. However there may be circumstances, where appropriate, the Company may also sell or joint venture mineral resource properties while retaining a royalty or other interest. Eastmain has 3 active gold projects and indicated resources of ~1.089 million ounces of gold grading on average 6-8g/tonne. Indicated and Inferred is at ~1.728 million ounces of gold.

## **Eastmain Resources' three James Bay projects**

1. Eau Claire Project (100% owned) and Percival prospect
2. Eastmain Mine Project (100% owned)
3. Éléonore South JV (36.72% owned)

Note: Eastmain also has 6 other projects which you can view [here](#). They are a mix of gold, silver, base metals (copper), and platinum gold metals (PGM) exploration projects.

## **The Eau Claire Project**

An updated PEA for the Eau Claire deposit highlighted results that included: A post-tax NPV5% of C\$260 million and a post-

tax IRR of 27%, a 12-year mine life producing 950,000 gold ounces at total average cash costs of US\$486/oz (AISC US\$574/oz). Pre-production CapEx was estimated at C\$175 million. These results show overall strong economics due to the good gold grades at Eau Claire.

## PRELIMINARY ECONOMIC ASSESSMENT **ROBUST ECONOMICS**

Eau Claire Gold Deposit Open Pit and Underground Mineral Resource Estimate*						
	OPEN PIT (Surface – 150m)			UNDERGROUND (150m – 860 m)		
	Tonnes	Gold Grade (g/t)	Contained Au (oz)	Tonnes	Gold Grade (g/t)	Contained Au (oz)
M&I	1,210,000	5.86	228,000	3,084,000	6.30	625,000
Inferred	43,000	5.06	7,000	2,339,000	6.56	493,000

### Financial Highlights

NPV <sub>5%</sub> (after-tax)	C\$260M
IRR (after-tax)	27%
Payback	3.1 years
Pre-Production Capex	C\$175M
Sustaining Capex (LOM)	C\$108M
Average LOM Total Cash Costs	US\$486/oz C\$632/oz
All-In Sustaining Cost (AISC)	US\$574/oz C\$746/oz

### Operating Highlights

Mine Life	12 years
Daily Throughput (LOM)	1,500 tpd
Average Annual Production (Yrs 1-10)	86,100 oz/y
LOM Au Produced	951,000 oz
Mineable Ounces	1.0 Moz
M&I / Inferred	70% / 30%
Average Head Grade (fully diluted)	OP: 3.78 g/t Au UG: 5.24 g/t Au
Total (blended)	4.86 g/t Au
Process Plant Recovery	95%

## Eau Claire Project PEA

Results from [4 drill holes](#) of 20 from the 2019 winter program were announced late last month at the Percival Discovery. Some highlights included: ER19-836: 0.97 grams per tonne gold (“g/t Au”) over 74.5 m and ER19-837: 1.55 g/t Au over 11.0 m.

Claude Lemasson the President, CEO and Director of Eastmain Resources commented: “Percival now measures at least 400 m in length and we are extremely encouraged by the correlation between gold mineralization and electromagnetic anomalies within the area.”

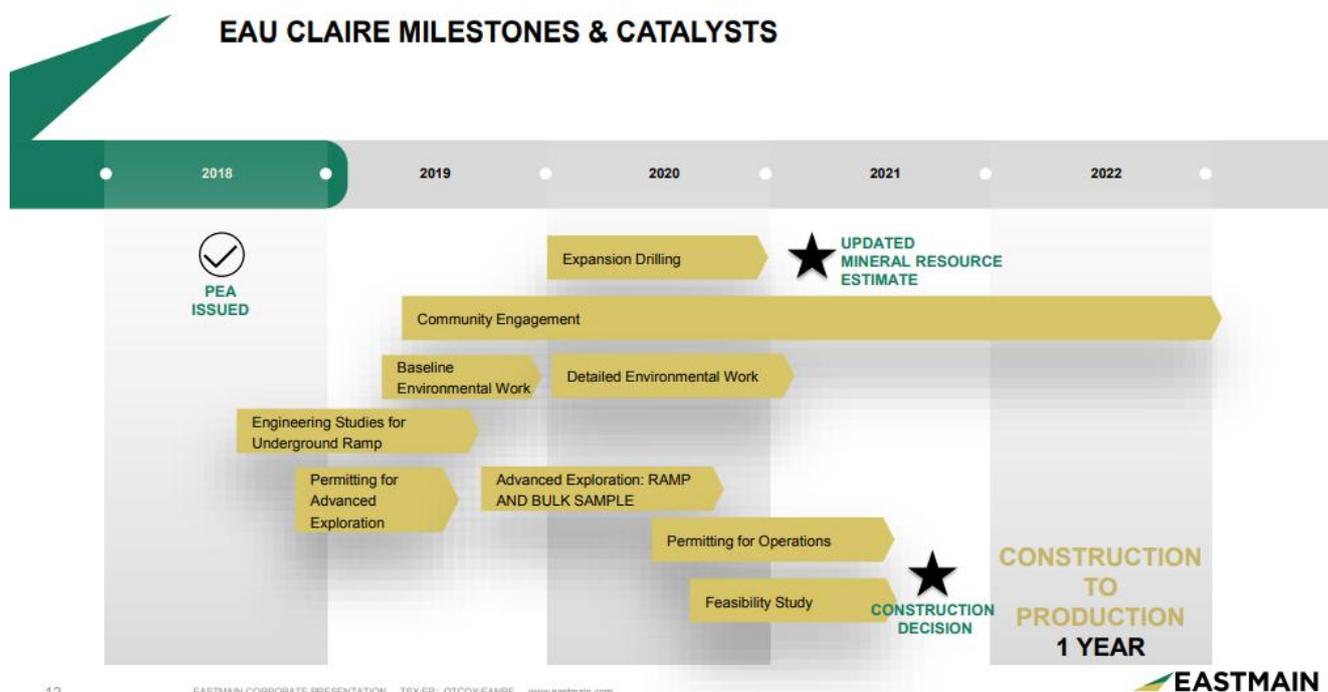
In a recent [interview](#) with InvestorIntel’s Tracy Weslosky, CEO Claude Lemasson mentioned the Company’s competitive advantages:

“It’s all about high grade gold in terms of Quebec, great jurisdiction, one of the best in the world. We have 3 key projects that are all moving forward in different stages. We

have an anchor project with a resource plus 2 discoveries, all this in the last 3 years, so a lot of excitement a lot of things moving, a lot of momentum. What's incredible about Eastmain, with all the assets that we have is our ridiculous valuation. Today in this market is a perfect entry point for investors because we are so undervalued and there is tons of potential for growth."

Tracy Weslosky goes on to state: "Eastmain is one of my hot picks for the fastest moving gold plays that everyone should be watching."

For 2019, exploration and development programs will include testing new regional targets at Clearwater which were identified during previous work. These studies will be used to support future permitting activities as well as feasibility study work. In addition, ongoing advancement work for the Eau Claire Project is underway. The company's milestones and catalysts are outlined below.



Eastmain Resources is indeed very well valued especially given they already have ~1.728 million ounces of gold (Indicated and Inferred) at good grades (6 to 8 g/t Au) with plenty of

exploration upside, and in a quality mining jurisdiction.

Market cap is just C\$30 million, and analysts' consensus target price is C\$0.69 representing 390% upside.