

Daniel Kunz on one of the most substantial gold, silver and zinc exploration projects in the world

September 12, 2016 – Daniel Kunz, Director of Chesapeake Gold Corp. (TSXV: CKG | OTCQX: CHPGF), in an interview with InvestorIntel Sr. Editor Fred Cowans discuss Chesapeake Gold's Metates Project in Mexico, which is one of the most substantial gold (18.5 million oz), silver (526 million oz) and zinc (4.2 billion lb) exploration projects in the world. Explaining that they have significantly derisked the project, Daniel goes on to explain that while water has been an issue for many operators in Mexico – Chesapeake Gold has identified seawater desalination as one of the ways to reduce cost of water supply in a project that has previously been proven as scalable.

Fred Cowans: Dan you've been a senior officer of many different public companies and mineral exploration companies. You've been on the team that found the huge deposit at Oyu Tolgoi in Mongolia. You're part of the bench strength Chesapeake management team and board. What's your view of the current market for producers needing to replace ounces?

Daniel Kunz: I've been involved in production side and exploration side. The exploration business feeds the majors. We know it's been no surprise in the last 5 years it's been quite difficult on the major mining companies, most of them. They've had to clean up their balance sheet, sort of, retreat a little bit, do some major write-offs and change personnel; but, we have started to see now they're coming back. We're starting to see activity livening up, but it's been a tough five years therefore the exploration pipeline might be less

attractive then it was and I think the, sort of, 20 million ounce gold deposits are hard to find.

Fred Cowans: The Chesapeake Metates Project in Mexico is a huge gold, silver and zinc project. In 2013 there was a prefeasibility study with another one updated in 2016 – what are you giving producers looking for potential asset in these studies?

Daniel Kunz: ...the two studies demonstrate that it is a scalable project. We can start out small and then allowing your cash flows in the future over a 5-year period to increase production to an expansion level or you can start out large and move straight to the largest possible production mine and either one of those has its own rationale, attractiveness, etc. Lower capital is attractive in the smaller case. Higher IRR and production and throughput is the attractive feature of the larger case. I think what we've done is demonstrated that it is scalable. The two studies also show that we've derisked the project significantly as we move forward. We're using best practices, state of the art technical uses of – for environmental, dry stack tailings for example, water that's been traded for desalination plant that we're putting up near the coast. We also are using essentially infrastructure in Metates that is quite mature. There's a gas pipeline that Mexico just built and we're close to cities, labor. We have very good relationships with the social communities there.

Fred Cowans: My understanding is that the water has been a huge issue for a number of other operators, a huge increase in cost in the last year alone in Mexico.

Daniel Kunz: Very true. The nation is starting to view it quite seriously. Of course, there's been subject to drought, subject to depletion of waters, let's call it ground waters and local waters. As such it's a very important issue. Metates will use water, but we've gone through quite a bit of engineering and study to recycle as much as possible and also

as I said, to trade water that we will produce fresh water from the sea and then that will charge systems closer to the plant. Then we'll trade those waters for water up near the mine... to access the complete interview, [click here](#)

Disclaimer: Chesapeake Gold Corp. is an investor relations client of InvestorIntel Corp., which owns InvestorIntel.com. For more information contact us at +1 647 345 5486 or info@investorintel.com.