

Go for Alaskan Gold with Sonoro

If you're looking for an early junior with the high-grade potential, going for a project close to successful mines is a great tactic, and deposits located in world famous gold camps is even better. The Fairbanks district of Alaska has long been a major producer of gold; placer deposits have produced over 250 tonnes, and lodes have contributed half that again since the rush began in 1903. Early prospectors staked thousands of claims, and although results were initially disappointing, one of the richest claims in the Fairbanks Mining District was struck a short while later which paid as high as \$136 to the pan (gold @ \$20/ounce).

Today in Fairbanks, the Fort Knox mine held by Kinross is the largest surface gold mine in the history of Alaska, and an up-and-coming project located only 75 km to the South has set off my goldar. The Hilltop project, optioned (60%) to Sonoro Metals Corp. (TSXV: SMO | OTCQB: SMOFF) ("Sonoro") ("Sonoro"), returned grab samples of up to 26.55 g/t Au in 2015, prompting a second phase of exploration which analysed 355 soil samples, 42 rock samples, as well as resampling a specific section of trench 5 from the first phase which included assays of 11.7 g/t and 26.5 g/t Au.

The success of the initial exploration stages is visible in company stock value. A steady bull channel has been quietly carved out over the past twelve months, with shares gaining over 50%. But the last year has seen a gentle ascent as investor confidence continues to increase as the project is derisked. The real surge will come when the 12,836 hectare site has been fully delineated, but in my opinion, with each phase of exploration expanding the gold footprint further, this type of growth is coming within the next year. And this isn't the company's only project, it is simply the most

advanced.

The project is also located 75 km West of Sumitomo's Pogo mine, which has produced 4.973 million ounces at an impressive average grade of 12.5 g/t gold. Pogo was originally slated to have a mine life of only 10 years, but continues to expand its resource today. With results such as these still going strong throughout the Fairbanks district, I'm anticipating some dramatic drill cores from the next phase of exploration. In order to fund the necessary works, Sonoro have optioned a project to another explorer for which they received \$4m earlier this year, and began trading on the OTCQB to attract investment in both Canadian and American markets.

The project was optioned to Sonoro by Northern Empire and so is contiguous to their Richardson property. While Northern Empire remains the operator of the project, Sonoro will earn a 60% interest in the project should they spend a minimum capital amount on exploration works and issue an agreed number of securities before the end of 2019. The Richardson property boasts sample grades of up to an astonishing 71.2 g/t Au, and so the decision to explore Hilltop is a sound one. Generating cash flow from this more advanced project should be Sonoro's primary goal as it would allow the company to commit to further exploration of their 100% owned San Marcial deposit in Mexico.

The only thing that could bring this play down is poor geology, but the case for the alternative is compelling. There are just too many noteworthy projects in proximity, and the existing exploration has yielded positive outcomes every time. Alaska is mining friendly and well connected, and Sonoro has real potential to create serious value from their tiered launch approach.