

The Junior Gold Rally

The gold market has seen somewhat of a resurgence this year, and interestingly, junior miners are receiving more of the attention than usual due to the widespread feeling that this may be the beginning of a sustained gain for both gold prices and stock markets. One of our favourite explorers, [West Red Lake Gold Mines Inc.](#) (CSE: RLG | OTCQB: RLGMF) (“West Red Lake”), are beginning to dig into a geological intersection located close to their Rowan property, and with prices on the up, a positive discovery could initiate a buying frenzy on RLG stock. I already expect this drill to return significant values based on the historic and more recent results that we’ve seen from Rowan, but for sure this will be a pivotal news release for CEO Thomas Meredith.

The Rowan Mine is a joint venture with Goldcorp comprising of 119 claims lying on an east-west trending gold bearing structure known as the Pipestone Bay-St Paul Deformation Zone (PBS zone); the property hosts two significant regional gold bearing structures, one of which intersects the PBS zone not far from the former producing mine. Structural intersections such as these are known for their potential to collect large quantities of gold in the folds between two rock types of differing frailty and so represent a prime exploration target. On May 24th, West Red Lake released their plan to drill a single hole into the Rowan intersection, as well as several further holes where the PBS zone contacts with the company’s Mount Jamie Mine Property due to the apparent similarities to the geology of the Rowan Mines.

The Rowan Mine Gold Zone (RGZ) has 1200m of strike that has been explored to less than 500m, so plenty of opportunity remains to expand the resource as the particular geological formations that occur on the property are known to be prime hosts of significant gold mineralization to depths of up to 2000m. Furthermore, the Mount Jamie property retains

significant potential for expansion, which features heavily in planned future exploration works.

Perhaps the largest attractors for this project are the involvement of expert Thomas Meredith and the history of the Red Lake Gold Zone itself. Meredith has a long history of success with bringing projects such as these to maximum fruition, and the area features some of the highest grade gold results ever seen. Combine this with the positive outlook that gold is currently experiencing, and we are looking at another winner at Red Lake.

Persistently low interest rates at the same time as rising political tensions has resulted in a continuing bull market on gold even though stock markets are experiencing consistent highs. Normally, growth in industry makes holding onto gold seem unnecessary, but more recently this has come alongside increasing terror attacks in Europe and the shambles that is currently Washington. Thought amongst analysts is that investors are looking to keep hold of a decent level of long-term security given the unsettling nature of current global affairs, and since stocks are continuing to perform, the juniors are seeing the money.

RLG stocks are currently trading at C\$0.20, but the current rally around juniors could have significant impact on those prices very soon.

Another Great #GOLD Opportunity at Red Lake

The most likely place to find our favourite yellow metal is wherever it has been identified previously; Red Lake, Ontario,

has a long and famous history as a gold-rich region, and numerous mines, over many decades, have so far extracted a cumulative total of more than twenty-eight-million ounces of gold. Goldcorp's Red Lake Mine, which sits on the highest-grade gold zone in the world, boasts areas containing a massive 2 oz/t Au. The High-Grade Zone was first discovered in 1995, culminating in the development of the richest gold mine in history, and sparking an entirely new Red Lake gold rush that has attracted some very high-profile people indeed.

Thomas Meredith, CEO of [West Red Lake Gold Mines Inc.](#) (CSE: RLG | OTCQB: RLGMF) ("West Red Lake"), has considerable experience, not to mention success, in delivering proven resources to willing buyers, and creating phenomenal shareholder value in the process. The standard story for a gold deposit is for it to be acquired by an existing producer as soon as it becomes attractive enough. For the explorer, this means providing credible resource estimates as well as fully mapping the geology of the area; the overall effect is to increase trust in a project and reduce risk as far as it will go.

This year, Meredith aims to prove that his three existing mines at Red Lake have the potential to produce vastly more gold in the future, and recent drill results have added credence to his theories. Although exploration is expected to continue throughout 2017, results from the latest drill produced a staggering grade of over 2.5 oz/t Au over 3 meters, and the full results suggest that there is considerable additional gold mineralisation at depth. Further drilling should drive the resource estimate up even more and add massive value to the operation, creating a fully feasible potential mining setup which, given the history of the area, should be snapped up in no time.

The latest drill target is known as the Rowan mine, but east of there lies a geological intersection which will be the company's most revealing target. These structures are renowned

for containing large quantities of valuable material since they are the result of volcanic activity that folds and creases the rocks together, potentially creating contiguous pockets of collected gold. Red Lake has already produced world-class deposits based around these very geological features, and we are expecting a very similar story from the team at West Red Lake.

The project is a joint venture between West Red Lake and Goldcorp, but West Red Lake are the operators with 60% ownership. In a relatively short time, the mine should be suitable for acquisition, and considering the CEO's previous endeavour resulted in a sixty-six-fold increase in value, stocks in RLG will almost certainly be flying off the shelves this summer. An investor who went in with only a thousand dollars, say, would come out pretty quickly with nigh-on seventy grand should Mr Meredith repeat his previous skilful turnaround.

Providing the knowledge that a deep mine guarantees successful extraction at Red Lake is all the peace-of-mind a company needs to build one. This year's exploration should see that proof take shape, with the possibility of record-breaking grades being discovered at the promising structural intersection. Shares in RLG are currently trading at around C\$0.18, and as word spreads about the emerging evidence of the presence of high-grade paydirt, investors should keep in mind that maximum gains are made by the earliest birds. The track record of the area and the people, combined with the recent exciting results, should be enough to motivate the growth-hungry to get in on the new Canadian gold rush.

Gold pioneer Thomas Meredith targets Red Lake for another touchdown?

[West Red Lake Gold Mines Inc.](#) (CSE: RLG | OTCQB: RLGMF) ("RLG") has long sought to prove the existence of further high-grade deposits by targeting an area believed to hold compelling exploration potential.

The presence of intersecting structures provides a geological environment for the occurrence of significant gold zones. Recent [drill results](#) from this particular area demonstrated a grading of over 26 g/t, which continues to provide us with increased confidence in the overall zone. As such, it seems that sampling will continue into the new year and that Red Lake will continue to defend its reputation as one of the greatest gold producing regions this planet has to offer.

People have been pouring into Ontario's Red Lake area since gold was first observed there in 1925; within ten years, Howey Bay had the world's busiest airport, and yet even more prospectors continued to arrive by dog team and foot. To date, the Red Lake Mining District has produced over 22 million ounces of gold and ranks among the top 10 most desirable gold jurisdictions in the world.

In 1995, the high-grade zone was first discovered and is the backbone of modern day Red Lake operations. Recent investments in infrastructure and development have positioned these renowned mines for many more years of long-term sustainable production.

The three historic mines on RLG's property sit along the east-west trending Pipestone Bay-St. Paul deformation zone, a regional structure that continues eastward off the property. A second gold bearing volcanic structure, the NT Zone, trends

northeast on to the property and intersects with the Pipestone Bay-St Paul deformation zone approximately 1km east of the former Rowan Mine. Most of RLG's efforts to date have focused around the Rowan Mine, where drilling and historic data support an inferred resource of 1.1 million oz, within 4.5 million tonnes grading 7.57 g/t gold. The Mount Jamie Mine and the Red Summit Mine are owned 100% by RLG. The Rowan Mine is owned 60% by RLG and 40% by Goldcorp, a major funding partner with a long history at Red Lake.

Thomas Meredith is a successful entrepreneur and gold pioneer in the resource industry. He now heads up RLG after transforming his former company, VG Gold, in what is becoming a very similar story. He took the then broken VG with a \$3 million market capitalization, cleaned up the management and board, focused on advancing and de-risking the company's four historic mines in the Timmins gold camp, culminating in a resource base increase from 60,000 oz to 2 million oz. He oversaw the completion of two PEAs, a joint venture with Goldcorp, got permitting underway, and attracted Rob McEwen in as an investor, who took a 40% stake in VG through his company Lexam Exploration. By the time Lexam and VG merged eighteen months later, VG Gold had a market cap of \$200 million.

Meredith is clearly aiming to repeat his past successes at Red Lake and is relying on future drill results to prove him correct. Crucially, there are producing mines only 20 km away and the area is already world-famous for its historic grades. Continuing to produce positive drill results could rapidly turn the site into an acquisition target; with 50.41 grams of gold per tonne over 1.50 metres and 22.72 grams of gold per tonne over 1.50 metres confirmed at the end of last year, the recent results may be enough to convince most investors of the project's merits.