

Success! Sunvest Minerals exploration yields high copper values and gold and silver grades

In the same quarter that copper surged to three-year highs, and the price of gold began a bullish rampage that appears to know no bounds, a drill project completed by Sunvest Minerals Corp. (TSXV: SSS) ("Sunvest") on their Evening Star property returned high copper values of up to 7.45%, as well as gold and silver grades of up to 1.81 g/t and 138 g/t respectively. Sunvest are chiefly focused on pursuing the development of copper, cobalt, gold and silver resources, the markets for all of which are looking extremely healthy this fall and beyond.

The Evening Star property is located in west central Nevada, in Mineral County, and is comprised of 43 unpatented mineral lode claims totaling 660 acres. Having confirmed significant precious metal values within the copper and base metals mineralization, a short surface program will begin soon and the company are permitted for additional drilling which is expected to recommence shortly.

These results follow impressive grab sample and drilling at the company's McKinnon Hawkins project which returned values of up to 33.5 g/t Au. The main zone of the resource has a NI 43-101 estimate of 239,100 ounces of gold (4,957,000 tonnes at 1.50 g/t Au), and, significantly, the team intersected an entirely new gold-bearing region in two holes located to the north of the main zone.

The new area, designated as the "Taylor Extension", appears to approximately parallel the east-west strike of the Main Zone and is open along strike and at depth. The Taylor Extension

represents a broad new mineralized environment which has returned sample values including 2.28 g/t Au over 3.0 meters; if the team proves the area to be as continuous as the main zone, it has serious potential to add significant resources to the project.

This should be no problem for the Sunvest ensemble; one of the company's directors is the son of Don McKinnon himself. Don McKinnon Sr was one of the men who discovered Ontario's fourth largest mining camp, Hemlo, in 1981, and his son has been involved in the mining exploration industry from a very young age, managing all aspects of exploration including property acquisition, grass roots exploration and overseeing projects up to the development stage.

Mr McKinnon is joined by a team with exceptional experience in the industry led by Victor Bradley (chairman of the board and director). Over the past 30 years Bradley has founded, financed and operated several mining and advanced stage companies, including Yamana Gold Inc., Aura Minerals Inc. and Nevoro Inc. (sold to Starfield Resources). He was chairman of Osisko Mining Corp. until its \$3.9 billion sale in 2014; Osisko managed to crack open a porphyry gold structure at Malartic, Quebec, creating the largest open pit gold mine in Canada.

Clearly, management are more than capable of taking these projects to production, and possibly even in time to catch the top end of the current metals bull run. Anyone who's been watching the ascent of gold recently will be aware that it recently traversed the \$1,350/oz resistance on the back of continuing geopolitical tensions and a tumbling dollar, but copper has had a similarly bullish year, seemingly recovering entirely from its post-recession correction period and steaming ahead amid renewed global construction efforts. Any investor looking for a truly long position on both gold and copper should consider Sunvest's share price as having upside potential, as their recent additions create potential for

considerable resource expansion.

Homestake Ridge Resources benefits from Agnico's 2014 drilling program

✘ Homestake Resource Corp. ('Homestake', TSXV: HSR) is developing the gold and silver in northwestern British Columbia has announced that Agnico Eagle Mines Ltd. ('Agnico', TSX: AEM) shall "let lapse its option to earn an initial 51% interest in the Homestake Ridge property in northwestern British Columbia, with Homestake retaining 100% ownership of the property." Homestake already had full ownership of the Homestake Ridge property (3,600 Ha.) which features an NI 43-1010 estimated Inferred Resource of 911,000 oz. gold and 20,366,000 ounces of silver and an estimated Indicated Resource of 124,000 oz. gold and 939,000 oz. silver. Agnico, one of the largest Canadian gold companies, was a partner in the Project, which is characterized by gold deposits located under caps which are host to over 20 million ounces of silver. Homestake has identified three significant deposits at the property making Homestake Ridge one of the leading undeveloped precious metals projects in Canada.

During the past summer, Agnico started, but did not complete, its 7,500 meter drilling program aimed at expanding the surface mineralization zone, reaching only 2,972 meters in six holes. This resulted in an extension of the new Slide target to 800 metres of strike length, "confirming a new zone of silver mineralization similar to that identified at the Homestake Silver Deposit and indicating the potential for a

similarly rich gold zone down dip, which remains to be tested.” Agnico’s work, however, will not be in vain. According to Joe Kizis, President of Homestake, work at Homestake Ridge will proceed along the model in the development of drill targets below the silver mineralization: “Agnico’s drilling has demonstrated that a silver resource is likely to be developed with further drilling at the Slide target.... Our mineral-zoning model, based on our three discoveries made to date on the property, suggests that rich gold mineralization should occur beneath the envelope of silver-biased mineralization seen at the Slide target.” This will allow Homestake to explore identified targets without having to set up a new camp or mobilize drills.

The Homestake Ridge property belongs to the same stratigraphic assemblage of rocks as the Brucejack gold project, which was shown to contain several million ounces of gold (13 million ounces of gold and 62 million ounces of silver) and other gold-silver deposits hosted in lower Hazelton Group rocks. In 2013-2014, Agnico and partner Yamana Gold (TSX: YRI) engaged in a battle with Goldcorp (NYSE: GG | TSX: G) to purchase Osisko’s Malarctic mine. The bidding war for the battle for Osisko was surprising, given the gold industry’s efforts to cut costs in light of lower than expected gold prices. Evidently, Agnico was left with little appetite to get involved in a longer term exploration process, even though, the Homestake project started to expand already by last June. The price of gold was USD\$ 1,286/ounce before the Labor Day long weekend; it reached a monthly peak of USD\$ 1,322 during the second week of August. Nevertheless, the past two weeks have been marked by a sharp increase in geopolitical tensions (Russia / Ukraine, Israel / Palestine, Iraq / Kurdistan) and it is unlikely that gold will drop any further than the current price. This means that precious metals will remain in high demand as a safe haven in the long term.

The short term gold price prospects are ‘upset’ by the market

expectations of higher interest rates and a stronger US Dollar. As noted in a previously published article on InvestorIntel, the American economy has gained strength over the past August and should expect the optimistic trend to continue in September. Growth rates in the United States have reached record levels (the best results since the beginning of President Obama's first term). Meanwhile, the European Union is concerned by the prospects of deflation ahead of an important meeting of the European Central Bank. Both developments have been exercising pressure on gold and precious metal values. The markets are also monitoring the evolution of the Russian-Ukrainian conflict following the announcement of possible sanctions against Russia, in which case they are likely to turn to values that are considered to pose the fewest risks, such as the US Dollar. However, despite all these factors and statistically speaking, September is the month that has favored gold – even if on September 2, it opened on a downward path at USD\$ 1,276/oz.

Goldcorp's total takeover bid of Osisko Mining makes Quebec mining sector the real winner

✘ Contrary to the expectations of many analysts and Osisko Mining (TSX: OSK), gold industry giant Goldcorp (TSX: G) has decided to increase its hostile takeover bid for the smaller player by CAD\$ 1 billion. This means that Goldcorp is officially ready to pay 3.6 billion CAD or 7.65 CAD per share. Evidently, Goldcorp – and its CEO Chuck Jeanne in particular – is confident that taking over Osisko carries considerable benefits for Goldcorp's earnings per share.

Goldcorp's generosity was stimulated by a competing bid by Yamana Gold (TSX: YRI), which, according to the Wall Street Journal, was said to be preferred by Osisko's CEO Sean Roosen.

Yamana has offered shares and cash totaling CAD 929.6 million CAD for 50 % of Osisko's mines and exploration assets whereas Goldcorp's bid applies to the entire company. However, Yamana's offer includes capital from two Canadian pension funds and would allow for Osisko's management to keep their jobs and remain in the company's headquarters in Montreal. It is a scenario reminiscent of a scene from the 1987 comedy movie "The Secret of My Success", where management's biggest concern during a takeover bid was whether or not they would keep their existing jobs.

The matter will now be up to Osisko's shareholders, who may care less about the stability of management's jobs and favor the overall clearer conditions inherent in Goldcorp's total takeover bid. This means that the battle will continue. Yamana will likely sweeten its offer further despite the fact that Goldcorp's managers had warned that there would be no other offers. Nevertheless, the original and formal offer dates back to last January. The additional billion was unsolicited and presented by way of a press release. The Board of Directors of Osisko will therefore meet in the coming days to weigh the pros and cons of this new proposal, stalling shareholders' decision, asking them to wait for their recommendation.

Of course, the bidding war reflects the fact that interest in Osisko Mining and Quebec's Malartic deposit, located in the Abitibi -Témiscamingue, is growing. It represents one of the largest gold reserves in production in Canada with proven and probable reserves of 10 million ounces of gold. This suggests that regardless of the outcome Goldcorp will continue to look for opportunities in Quebec. On Thursday, Charles Jeannes, President and CEO of Goldcorp, said the Company was fully committed to further exploiting the Eleonore deposit in northern Quebec, which should enter service by the end of the

year with 2,000 employees. Goldcorp spent almost CAD\$ 2 billion to build Eleanor. Goldcorp will use its investment and commitment to Eleanor as the platform to put pressure on the Government of Quebec – which will be replaced after an election dominated by economic issues – to favor its own bid for Osisko, given its proven record to invest in Quebec, which will come out as the biggest winner from the latest bidding war. Indeed, although mining companies have actually decreased their investments in Quebec in recent months, employment related to the mining sector showed strong growth in 2013.

The bidding war over Osisko is likely the sign of the return of more investment. Gold mining is not even the largest employer; that record is held by the mining of ferrous metals and iron ore and Ferro-niobium accounting for about 22%. Gold mining is second at 20.3%. Despite the decline in metal prices in 2013, mining activities in Quebec remained very strong. According to preliminary data, in 2013, the value of mineral shipments from Quebec was CAD\$ 8.30 billion, an increase of 3.3 % compared to 2012. The two main substances produced in Quebec remain iron and gold are 34.7 % (CAD\$ 2.88 billion) and 20.4 % (CAD\$ 1.70 billion) of the total value of mineral shipments respectively. In 2014, the government of Quebec predicts that the industry could grow much further due to increased demand for iron ore, nickel and gold. Moreover, Quebec is one of the world's most desirable mining destinations, even if under the leadership of the Parti Quebecois it lost some of its luster. According to the annual global survey conducted by the Fraser Institute to leaders in the mining industry, Quebec fell to 21st place among 112 mining jurisdictions in the world in 2013 while it occupied the top of the world rankings in 2009 – it was in fifth place in 2011 and eleventh largest in 2012. This proves that changes in the Province's mining policy have discouraged investment. The new Liberal government of Premier Philippe Couillard said it would encourage investment in companies related to the

mining industry. Couillard, moreover, wants to bring more foreign investors to the mining sector. The Yamana-Goldcorp battle over Osisko will surely contribute to raising that attention.