



# TDV News & Exploration Update

Ed Bugos & Kashyap Sriram

May 24, 2018

## TDV Long-Term Defensive Investor Stock Portfolio – 35% of Overall Investment Allocation

| Company                                     | Symbol   | 2018 Open | Last Price | YTD Return    | 2017 Return   |
|---|----------|-----------|------------|---------------|---------------|
| <b>Gold/Silver Majors (40%)</b>             |          |           |            | <b>-6.09%</b> | <b>20.89%</b> |
| Franco Nevada Corporation                   | FNV      | 80.66     | 70.93      | -12.06%       | 34.14%        |
| Agnico Eagle Mines                          | AEM      | 46.47     | 43.65      | -6.07%        | 10.21%        |
| IAMGOLD Corp                                | NYSE:IAG | 5.92      | 6.09       | 2.87%         | 51.04%        |
| Yamana Gold                                 | AUY      | 3.17      | 2.81       | -11.36%       | 9.86%         |
| Goldcorp                                    | GG       | 12.95     | 13.74      | 6.10%         | -6.45%        |
| B2Gold                                      | NYSE:BTG | 3.18      | 2.67       | -16.04%       | 26.53%        |
| <b>Junior Producers (45%)</b>               |          |           |            | <b>-1.53%</b> | <b>2.13%</b>  |
| Alacer Gold                                 | ALIAF    | 1.7826    | 1.93       | 8.27%         | 3.45%         |
| Argonaut Gold                               | ARNGF    | 1.959     | 1.85       | -5.56%        | 17.82%        |
| Endeavour Mining                            | EDVMF    | 20.46     | 16.81      | -17.84%       | 36.58%        |
| McEwen Mining                               | MUX      | 2.33      | 2.2        | -5.58%        | -23.23%       |
| First Majestic Silver                       | AG       | 6.84      | 7.28       | 6.43%         | -12.92%       |
| Fortuna Silver                              | FSM      | 5.31      | 5.58       | 5.08%         | -8.90%        |
| <b>Explorers / Emerging Producers (15%)</b> |          |           |            | <b>-8.56%</b> | <b>18.20%</b> |
| Sabina Gold & Silver                        | TSE:SBB  | 2.32      | 1.76       | -24.14%       | 129.29%       |
| Premier Gold Mines                          | TSE:PG   | 3.61      | 2.72       | -24.65%       | 39.00%        |
| Cascadero Copper                            | CVE:CCD  | 0.08      | 0.07       | -12.50%       | -25.00%       |
| Nautilus Minerals                           | TSE:NUS  | 0.16      | 0.21       | 31.25%        | 3.33%         |
| Amarillo Gold                               | CVE:AGC  | 0.31      | 0.22       | -29.03%       | -3.13%        |
| EMX Royalty                                 | CVE:EMX  | 1.02      | 1.37       | 34.31%        | -22.56%       |
| Mexican Gold                                | CVE:MEX  | 0.335     | 0.34       | 1.49%         | -5.71%        |
| Goldquest Mining*                           | CVE:GQC  | 0.365     | 0.2        | -45.21%       | 30.36%        |
| <b>Total Return</b>                         |          |           |            | <b>-4.41%</b> | <b>12.05%</b> |

---

## Overview

Hello everyone, the News & Exploration Update is back on track. It is typically issued twice each month and covers the “stock” portfolio on the previous page. It is a rotational portfolio, meaning that at different parts of the economic and financial cycle it will consist of different types of equities. At the moment, we are in the late stages of a business cycle, and the portfolio has a defensive posture. The precious metals miners have largely sat out the bull market in financial claims (and real estate), leaving them as one of the few sectors in the universe that still offer value. And since the US dollar has traded like a pro-cyclical risk on asset in the current equity bull market and economic boom, the gold miners also offer value as potential countercyclical assets if gold prices rise in reaction to the end of the financial boom, an end made inevitable by definition of what it is: a central bank creation, an unsound boom of historic proportion. But you know that. You get that from me all the time. That’s what this letter is all about. That’s what inspired Satoshi to create bitcoin. The question of timing, well, that is the one we are trying to gauge in our trade alerts, and I will update you on the technical situation with gold, silver and the dollar in our next one, hopefully in the next week or two.

However, this portfolio is not for traders, it is for investors. It is designed with a 3-5 year outlook in mind, and I make changes to it only slowly. There is no right time to buy it. I recommend a 35% allocation for most investors. If our outlook is bearish on all stocks that allocation is where you would find us changing it, not in the composition of the portfolio. So new investors shouldn’t wait. But they should dollar cost average into it.

At the moment the portfolio consists of the maximum number of holdings that I allow: 20.

In the next week you will also receive an in depth portfolio review where we plan to cull this portfolio (shed a few names) and add a few new picks. The names highlighted in red in the above table are on watch, and we are deciding whether to keep them. Nevertheless, we are recommending that you take profits in Franco Nevada, Alacer, and First Majestic. Note that we have already recommended selling Goldquest. Before you get that report, Kashyap and I will be releasing an exploration update for premium subscribers, which will cover the bullish action in EMX and SBB, and the good news for MEX, as well as an update on Cascadero.

---

## TDV Portfolio News Summaries

**Franco Nevada (FNV, MCap \$13.17B, 185.73M SO)** reported Q1 net income of \$64.6 million and operating cash flow of \$137.5 million on production of 115,671 gold equivalent ounces (GEOs). These were record numbers. The company has continued to grow, and its share price has continued to appreciate through the bear market cycle in the precious metal and other commodities. Over the next year additional growth is expected from production increases at *“Tasiast, Subika, Candelaria and our Oil & Gas assets as well as the start of production*



from Cobre Panama.” David Harquail, FNV’s CEO, commented, “It is a testament to both our business model and portfolio that today Franco-Nevada has declared its 11th consecutive year of dividend increases.” The company also announced that it was promoting Paul Brink to the position of president and COO. I know Paul. I met him through EMX Royalty Inc, one of our holdings that I helped finance back in 2010. We did some due diligence together on a small project in California. He is sharp and understands the royalty business as well as anyone. Franco Nevada reported 2017 production of 495,745 GEOs, also a new record and a 7.2% increase year-over-year, for ~\$194.7 million net income. It forecasts 2018 production of 460,000 to 490,000 GEOs, excluding its oil and gas assets. Franco’s valuation is not conducive to continued investment in my opinion. I can make the case to justify a high valuation on account of its breadth and quality and long life of assets. But I can’t justify the case for continued outperformance in the shares, especially once the actual gold cycle kicks in. It is a great defensive way to invest in the precious metals mining business as you get the benefit of the growth in production and bull markets in the price of gold without having to participate in the mining risk. But once the bull market in gold prices kicks in, there will be better opportunities where producers can execute growth plans, pay higher dividends, or leverage.

I think it is time to take profits on this company as I think we are close to a new bull cycle in gold, and stocks that are expensive like this are likely to follow the broader asset markets lower even if they are gold’s.

**Goldcorp (GG, MCap \$11.79B, 867.12M SO)** reported Q1 net income of \$67 million (Q1 2017: \$170 million) and operating cash flow of \$271 million (Q1 2017: \$277 million) on production of 590,000 gold ounces (Q1 2017: 655,000 ounces) at an AISC of \$810/oz (Q1 2017: \$800/oz). The company reiterated its 2018 forecast of 2.5 million ounces at an AISC of \$800. The company is on track with its plan of achieving \$250 million in cost efficiencies, with \$210 million already achieved by the end of the first quarter. In terms of its project pipeline, the Peñasquito Pyrite Leach project advanced to 86% completion and is tracking ahead of schedule, the Musselwhite Materials Handling project advanced to 65% completion and is on schedule and 10% below budget, and the Borden project is on track for commercial production by H2 2019.

The company also completed a PFS at its NuevaUnión JV project and is advancing it to the feasibility stage.

David Garofalo, President and CEO, stated:

*Our operations again delivered on target quarterly results while we continue to execute very well on our robust pipeline of growth projects, which together with excellent exploration results from across our portfolio, continues to enhance confidence in our 20/20/20 plan of growing production and reserves by 20%, and reducing AISC by 20% by 2021. The completion of a solid pre-feasibility study at NuevaUnión and the acceleration of study work, exploration and engineering at Century and Norte Abierto underpin our Beyond 20/20 pipeline of potential new long-life, low-cost and large-scale mines.*



Goldcorp signed a collaboration agreement with Tr’ondëk Hwëch’in (TH) First Nations in the Yukon, a step along the path of progress on its **Coffee gold project** in the Yukon.

Goldcorp is participating in a **gold-on-the-blockchain** initiative in collaboration with Tradewind Markets.

Tradewind has built a blockchain-based platform for digitizing the trading, settlement, and ownership of precious metals. The genesis block was created with a 3,000 ounce gold deposit (\$4 million) from the Red Lake mine. Goldcorp will be able to sell gold directly to dealers and banks using the platform, expanding access to a new market structure and a highly efficient, electronic pricing and liquidity venue. Tradewind has also signed on other gold majors, including Iamgold, Wheaton Precious Metals and Agnico Eagle, as well as Sprott Inc., and has raised \$22.8 million in capital.

*We are excited to be an investor in Tradewind and participate in the launch of VaultChain, a cutting-edge technology that integrates physical gold into a blockchain. We believe physical gold stored on a blockchain will increase the utility of the commodity and, ultimately, drive value in the price of gold. We are thrilled to be an early adopter of this 21<sup>st</sup> century platform and deposit its first bar of gold. We believe Tradewind has the potential to change the gold investment industry like the introduction of ETFs did over 10 years ago. — David Garofalo, President and CEO*



### **Yamana Gold (AUU, MCap \$2.66B, 948.43M SO)**

reported a net loss of \$160.6 million and adjusted operating cash flow of \$146.5 million on production of 248,088 gold ounces at an AISC of \$714/oz in Q1. The company expects to produce 900,000 ounces of gold, 8.2 million ounces of silver and 120 million pounds of copper in 2018 at average all in sustaining costs (AISC) of about \$860 per ounce of gold. Its most recent presentation predicts a compound annual growth rate of over 5% for its gold production and ~37% for silver production to 2020.

That translates into AISC cash flow of \$500-600 million this year (depending on copper mining costs), so Q1 seems to be on target and the share price is trading at just 5x expected cash flow this year.

Yamana also announced first gold pour at its Cerro Moro mine in Argentina this month with production ramp up on track, and commercial production expected to be announced in Q2. Cerro Moro was acquired in 2012 through the acquisition of Ex Torre Gold at a price tag of \$449.2 million. The original plan was to begin production in 2015, targeting an output of 200k GEOs, but the gold cycle turned down and the project was shelved. Yamana updated the feasibility study in 2014, with production expected to average 102,000 gold ounces and 5 million silver ounces annually at an AISC of ~550/oz over an 8 year mine life. Initial capex was estimated at \$265 million, with a further sustaining capex of \$133 million. Apart from the acquisition cost, Yamana has now spent over \$740 million on Cerro Moro, and will spend a further \$61 million in 2018.

In 2018, Cerro Moro is expected to produce 85,000 gold ounces and 3.75 million silver ounces at an AISC of \$650/oz gold (of the above totals). The medium-term objective is to ramp production up to 130,000 ounces of gold and 7 million ounces of silver annually. Cerro Moro has mineral reserves of 715,000 gold ounces at a grade of 11.38 g/t Au, Measured and Indicated resources of 238,000 gold ounces at a grade of 2.23 g/t Au and Inferred resources of 279,000 gold ounces at a grade of 1.96 g/t Au. Yamana also reported new drill results at Cerro Moro. In fact, drilling has started to define a near surface open pit high grade target on the west end of the 1500m long Veronica vein, and has expanded the mineralized zones for Martina, Barbara South, Esperanza Splay and Esperanza Parallel. Based on the results received to date, the company believes it will achieve its second exploration objective to add approximately 250,000 GEO of new inferred mineral resources



by year-end. Highlights of the program: **6m grading 40.7 g/t AuEq; 0.75m grading 106.2 g/t AuEq and 11.3m grading 33.2 g/t AuEq.** Those are great numbers and the stock remains a buy.

**Iamgold (IAG, MCap \$2.85B, 464.9M SO)** reported Q1 net income at \$42.3 million with GAAP operating cash flow of \$106 million on attributable gold sales of 235,000 ounces (+11% yoy) on production of 229,000 gold ounces (+7% yoy) at an AISC of \$953/oz. Unit costs (per oz) were down year over year and quarter over quarter. Margins are on the rise. Earnings swung to a profit from an \$18 million loss in the same quarter last year. On an adjusted basis they grew from \$5.1 million to \$40.4 million in Q1, year on year.



As with most producers realized gold prices were up about \$100 year over year. But results were also driven by strong performance at Essakane and Westwood, which set record highs according to CEO Steve Letwin.

The operating cash flow figure was also bullish and its best performance since the last time gold prices were up at these heights in 2016. In addition, IAG ended the quarter with a cash position of \$856.3 million.

Steve Letwin, President and CEO, added,

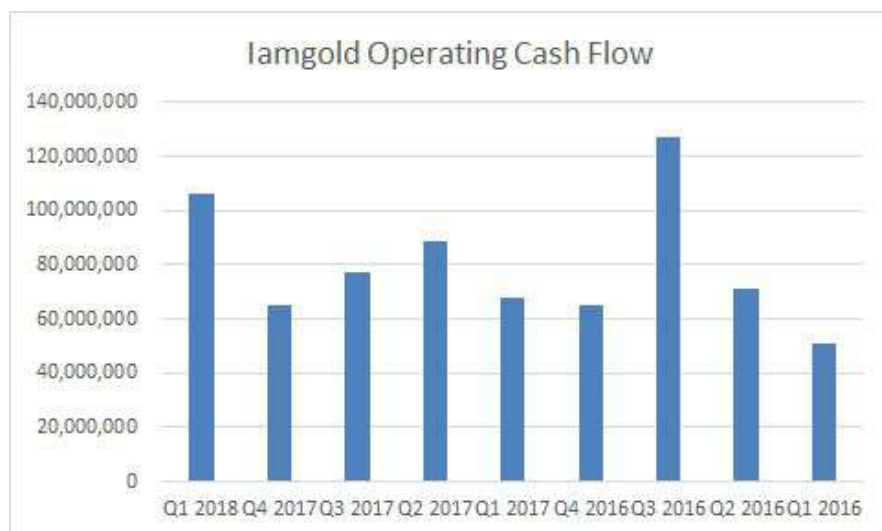
*Annual production and cost guidance remains unchanged and our growth projects are firmly on track. At Essakane, the world's largest hybrid solar/ thermal power plant was completed, and the pre-feasibility study for a heap leaching project, as part of our expansion of the mine, is nearing completion. In the second half of this year, we expect to have a mineral reserve estimate for Saramacca and a completed feasibility study for our Boto Gold Project. With recent resource estimates for our Monster Lake and Eastern Borosi projects, nearly all of our advanced greenfield projects have confirmed a resource.*

IAMGOLD operates five mines: three in West Africa, one in Suriname, and one in Eastern Canada. In 2018 the company expects to produce 850-900,000 ounces of gold at an AISC of \$990-1070/oz, generating an estimated non GAAP cash flow of about \$279 million, or 60 cents per share, at the high end. The shares are trading at 1.66x this year's expected cash flow number. On a TTM (trailing 12 month) basis, shares are trading at 8.24x operating cash flow. The current quarter was its second strongest in the last two years, and the company is on its way to improving even further.

As CEO Steve Letwin noted in their last earnings call:

As CEO Steve Letwin noted in their last earnings call:

*When I look at this production growth that we're seeing from 2018 to 2022 and you combine that with the fact that*



*we're reducing costs significantly, we literally go from an operating cash flow - and I'm going to use \$1,300 as the benchmark - of around \$300 million to an operating cash flow in excess of \$600 million - in fact closer to \$650 million. That's in four years. All of this being in our control, all of it organic. We don't have to do any kind of M&A to reach these targets.*

IAG is set to reach \$650 million in operating cash flow in 2022. Even assuming gold prices stay the same, a conservative 10x multiple on cash flow projects IAG's share price to be \$13.9, implying a 120% upside.

Iamgold reported further exploration success at Saramacca. The focus of the exploration program was to increase confidence in the resource and to target resource expansions immediately adjacent to the initial resource pit shell. In addition, the Rosebel mine team is working to advance the Saramacca deposit towards production. An Environmental and Social Impact Study (ESIA) is underway and preliminary engineering work is advancing on mine design and various infrastructure elements, such as ore transport options, access roads, and waste rock disposal. Field work has commenced to provide geotechnical and hydrogeological information and to complete condemnation work over areas of the proposed site infrastructure. Highlights: **46.0 metres grading 11.73 g/t Au and 29.5 metres grading 2.52 g/t Au** from infill drill holes and **31.5 metres grading 3.70 g/t Au and 15.0 metres grading 22.90 g/t Au** from step out drill holes.

The company announced the filing of a technical report on its previously reported maiden inferred resource estimate at Monster Lake (1,109,700 tonnes of inferred resources averaging 12.14 grams of gold per tonne for 433,300 ounces of contained gold) announced back in March. The project, located in Quebec, is in JV with **TomaGold (TSX-V:LOT, MCap \$7M)**. Iamgold currently holds a 50% interest, with an option to increase it to 75% on completion of \$10 million in exploration. Iamgold has initiated its 2018 exploration program, which includes approximately 7,500 metres of diamond drilling. The program is designed to improve confidence in the continuity of the mineralization and to extend the known mineralized zones.

Similarly, it just filed the technical report for the Eastern Borosi project in Nicaragua, which came in at an initial inferred resource estimate of 700,500 gold ounces and 11.36 million silver ounces. Iamgold holds a 51% interest, with JV partner **Calibre Mining (TSX-V: CXB, MCap \$20.32M)** holding the other 49%.



Judging by CXB's chart it doesn't look like the market thought much of it. Calibre has initiated the 2018 exploration and drilling program funded by Iamgold. Current work consists of detailed surface geochemistry, rock sampling, and mapping to evaluate a series of emerging targets and potential extensions to certain known zones. A diamond drill program has started with an initial program of 6,000 metres to further test targeted zones as well as complete a first pass testing of new targets.

Informed sources tell me that the politics in Nicaragua have heated up again. The government has not said anything about mining but there has been violence and worries of escalation in it.

**Agnico Eagle Mines (AEM, MCap \$9.93B, 230.52M SO)** reported a drop in year over year net income to \$44.9 million in Q1 (from \$76 million) on USD revenues of \$578.4 million (up 6% yoy), but up from the prior quarter of \$35.1 million. Cash provided by operating activities (GAAP) came in at \$207.7 million on production of 389,278 gold ounces at an \$889/oz AISC in the quarter, down from \$220 million on production of 418,216 ounces of gold at a \$741/oz AISC in the year ago period. Costs increased sharply at LaRonde, Meadowbank (Nunavut), and Pinos Altos in Mexico. Total production costs increased 23% year over year on declining production. In 2018, the company is expecting to produce 1.53 million gold ounces at an average AISC of 890-940/oz.



As you can see in the table below, however, the decline in production during 2018 is expected to be a dip on the way to a 2 million ounce per year production target in 2020. The shares continue to be a strong buy.

At Amaruq, permitting is on track for approval in Q2 and the underground exploration ramp is proceeding as planned. At Meliadine, construction and development is progressing well and procurement activities for the 2018 barge season are now complete. At Kirkland, a 25,700 metre drill program will be carried out in 2018 to further evaluate known deposits and test new target areas. Agnico's JV partner **Barsele Minerals (TSX-V:BME, MCap \$77.47M)** reported an updated resource estimate of 1,427,000 Inferred ounces and 193,000 Indicated gold ounces at its flagship Barsele project in Sweden. AEM owns 55% of the project with the option to increase ownership to 70% on completing a PFS. The company sold half its stake in **Belo Sun Mining (TSX:BSX, MCap \$120.82M)** for C\$14.9 million and intends to sell the rest of its stake as well.

## Estimated Payable Gold Production (2018 – 2020)

AGNICO EAGLE

|                          | 2017<br>Actual   | 2018<br>Forecast | 2019<br>Forecast |                  | 2020<br>Forecast |                  |                  |                  |
|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                          |                  |                  | Range            | Mid-Point        | Range            | Mid-Point        |                  |                  |
| <b>Northern Business</b> |                  |                  |                  |                  |                  |                  |                  |                  |
| LaRonde                  | 348,870          | 350,000          | 355,000          | 365,000          | 360,000          | 355,000          | 365,000          | 360,000          |
| LaRonde Zone 5           | 515              | 20,000           | 30,000           | 35,000           | 32,500           | 40,000           | 45,000           | 42,500           |
| Lapa                     | 48,613           | 10,000           | -                | -                | -                | -                | -                | -                |
| Canadian Malartic (50%)  | 316,731          | 325,000          | 320,000          | 330,000          | 325,000          | 340,000          | 350,000          | 345,000          |
| Goldex                   | 118,947          | 115,000          | 110,000          | 120,000          | 115,000          | 125,000          | 135,000          | 130,000          |
| Kittila                  | 196,938          | 190,000          | 185,000          | 195,000          | 190,000          | 205,000          | 225,000          | 215,000          |
| Meadowbank               | 352,526          | 220,000          | 55,000           | 65,000           | 60,000           | -                | -                | -                |
| Amaruq Deposit           | -                | -                | 135,000          | 190,000          | 162,500          | 260,000          | 270,000          | 265,000          |
| Meliadine                | -                | -                | 165,000          | 175,000          | 170,000          | 380,000          | 390,000          | 385,000          |
|                          | 1,383,140        | 1,230,000        | 1,355,000        | 1,475,000        | 1,415,000        | 1,705,000        | 1,780,000        | 1,742,500        |
| <b>Southern Business</b> |                  |                  |                  |                  |                  |                  |                  |                  |
| Pinos Altos              | 180,859          | 170,000          | 160,000          | 170,000          | 165,000          | 140,000          | 150,000          | 145,000          |
| Creston Mascota          | 48,384           | 35,000           | 25,000           | 35,000           | 30,000           | 10,000           | 15,000           | 12,500           |
| La India                 | 101,150          | 90,000           | 85,000           | 95,000           | 90,000           | 95,000           | 105,000          | 100,000          |
|                          | 330,393          | 295,000          | 270,000          | 300,000          | 285,000          | 245,000          | 270,000          | 257,500          |
| <b>Total Gold</b>        | <b>1,713,533</b> | <b>1,525,000</b> | <b>1,625,000</b> | <b>1,775,000</b> | <b>1,700,000</b> | <b>1,950,000</b> | <b>2,050,000</b> | <b>2,000,000</b> |





**B2Gold (BTG, MCap \$2.64B, 979.17M SO)**

reported Q1 net income of \$57 million and operating cash flow of \$147 million on record production of 239,684 gold ounces at an AISC of \$750/oz, up 81% year-on-year due to strong operational performance at its newly commissioned Fekola mine in Mali. For full year 2018, production is forecast to grow significantly to 910-950k gold ounces at an AISC of \$780-830/oz, generating \$500 million in operating cash flow.

In other words, the company is trading at 5x this year's expected non GAAP operating cash flow per share. It reported a total net income of \$61.6 million (2016: \$38.6 million) and operating cash flow of \$155 million (2016: \$411.8 million) for the full year

2017 on production of 630,565 ounces at an average \$860/oz AISC driven by strong performance at its newly commissioned Fekola mine in Mali, and near record production from Masbate and Otjikoto.

The company is allocating \$52.4 million for exploration in 2018, focused mainly on brownfields exploration at existing mine sites. In Mali, a total of \$15 million is budgeted for Fekola exploration, with half of the budget dedicated to the Fekola North extension drilling to test the ultimate size potential of the deposit.

The second half of the budget is planned for ongoing exploration drilling of the Anaconda zones where four drill rigs are following up with further drilling on the zones discovered in 2017 and to test additional targets.

The company released drill results from 10,000m of drilling at its Fekola North extension zone, which successfully extended the mineralization up to 1 km north of the reserve pit, with good-grade mineralization hosted in shallow, north-plunging shoots. **Highlights: 62.4m grading 2.66 g/t Au; 30.8m grading 4.1 g/t Au; and 49.1m grading 2.59 g/t Au.**

B2Gold is taking a hit **due to changes in the political climate in two locations where it operates - Nicaragua and Mali.** In Nicaragua, the government decided to cut pensions as the pension fund was almost bankrupt. This triggered protests, which eventually flared up into violent confrontations between the riot police and the protestors, which are mostly students.

The Church is trying to organize negotiations, but have had limited success to date.

B2Gold notes that so far their operations have been unaffected, but the uncertainty remains. In Mali, the government is working on a new mining code which would increase its take from the mining industry.

B2Gold notes that the new mining code will not affect them, i.e., that the government has to adhere to the 2012 mining code with respect to Fekola since they have a stabilization agreement in place.



Time will tell if they have the right read on the situation, but their neighbour, Iamgold, is already suffering from the Mali uncertainty as its Sadiola sulphide project looks set to be mothballed... years after yours truly wrote a report about why they should sell it. The company is also contemplating a dividend policy, with the aim of broadening its investor appeal.

### **Fortuna Silver (FSM, MCap \$878M, 159.46M SO)**

reported Q1 net income of \$13.8 million (Q1 2017: \$13 million) and operating cash flow of \$20.1 million (Q1 2017: \$8.89 million) on revenues of \$70.4 million (Q1 2017: \$64.8 million) and production of 2.4 million ounces of silver and 15,041 ounces of gold, or 3.4 million silver equivalent (AgEq) ounces at an AISC of \$2.11/oz Ag.

The company is on track towards meeting its full year guidance of 11.4 million AgEq ounces. Jorge A. Ganoza, President and CEO, commented, "*We are pleased with our results for the first quarter which provide a good start to 2018 with all our key operating and financial indicators reflecting the strength of our assets. The Company achieved record silver and gold production along with industry leading margins and cash flow generation. Fortuna's business strength and liquidity will provide the necessary flexibility to meet funding requirements for the development of the Lindero Project.*"

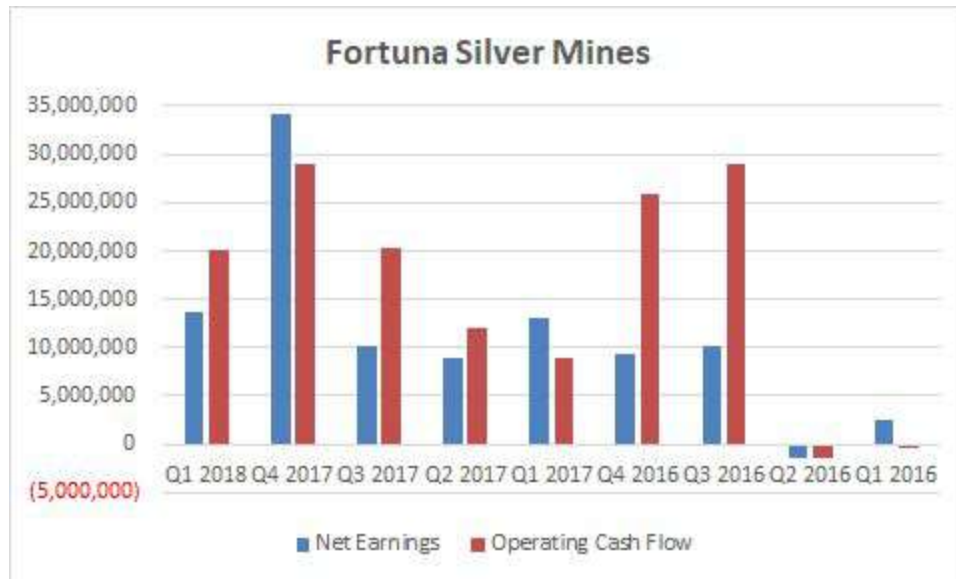


Fortuna announced a full year net income of \$66.3 million (2016: \$20.6 million) and operating cash flow of \$70.2 million (2016: \$53.1 million) in 2017 on production of 8.47 million silver ounces and 56,441 gold ounces at an AISC of \$6.4/oz. The stellar net income was partly influenced by a pre-tax impairment reversal of \$31.1 million at its Caylloma mine as the company was successful in replenishing resources. However, the adjusted net income of \$48.6 million is still a great improvement over \$18.1 million in 2016. Likewise, should Fortuna meet its 2018 goals, it should see net income grow significantly north of \$60 million.

Jorge A. Ganoza, President and CEO, commented, "*Our results in the fourth quarter of 2017 reflect record sales and EBITDA that have contributed to our strongest year to date in financial performance. Annual sales of \$268.1 million, with EBITDA margins of 46% and strong cash accumulation from our mines attest to the strength of our assets and the positive momentum in our business. Drivers for year over year performance are higher precious metal production, higher base metal prices for our by-products, and improved commercial terms. Our Lindero gold project in Argentina is in the early stages of construction with on-site activities ramping up during the course of the second quarter.*"

Fortuna exercised its **Prospero Silver (PSL.V, MCap \$4.32M)** share warrants to acquire an additional 5.35 million common shares for C\$800k, bringing its total ownership stake in Prospero to 22.74%.

Fortuna is one of the best values in our portfolio. Since the turn of the cycle in the beginning of 2016, it has almost consistently managed to produce positive results. Still, the market doesn't care. At the current share price of \$5.58, it is trading at a PE of 13x and price-to-operating cash flow multiple of 11x on a TTM basis.



**Alacer Gold (ALIAF, MCap \$570.51M, 293.09M SO)** reported Q1 net income of \$26.7 million and operating cash flow of \$30 million on production of 30,300 gold ounces at an AISC of \$737/oz. Production was up 15.5% y-o-y but down over 40% from the previous quarter.

The company ended the quarter with cash of \$137 million, debt of \$250 million, and \$100 million undrawn on the finance facility.

Rod Antal, President and CEO, commented:

*A good start to the year from our oxide operations with 37,875 ounces of gold production [100% basis] generating robust operating cash flow at All-in Sustaining Costs of US\$737 per ounce. Production and costs are tracking in line with guidance as we progressively transition from oxide to predominately sulfide ore in the second half of the year. The Çöpler Sulfide Project capital estimate declined further to \$692 million or currently 7% under the original capital estimate of \$744 million, meaning it will be delivered under budget. The start-up of the sulfide plant is only a quarter away and remains on schedule as we enter the final stage of construction. Commissioning activities are advanced, and the new operations team have embedded themselves into these efforts. The sulfide ore stockpiles have grown to over 1 million contained gold ounces and we have started physically testing the stockpile management strategy. The rest of our pipeline continues to advance with permitting progressing for Çakmaktepe*



*and mining is on track to commence in the fourth quarter. At Ardich exciting drill results were released in the quarter indicating the discovery of a new oxide ore source. Exploration work at Ardich continues.*

Alacer announced positive drill results from its Çakmaktepe Far North prospect (name changed to Ardich gold prospect), with the potential to add to its inventory of oxide resources.

Ardich is located approximately 6 km northeast of the Çöpler Gold Mine which currently has an operating oxide ore heap leach operation and a soon to be completed pressure oxidation plant to treat the sulfidic gold ores. Alacer will progress the exploration this year to better understand the mineralization with the goal of defining a Mineral Resource for Ardich and concurrently progressing the permitting process.

**Highlights: 67.7m grading 4.08 g/t gold, including 14.2m grading 7.21 g/t gold, and 90.8m grading 1.79 g/t gold, including 21.2m grading 5.56 g/t gold.**

Alacer is one of the stocks I've been contemplating selling almost ever since we added it to the portfolio years ago at about the same price as it is today. I love the mine, and the geological potential of Turkey, but I don't like owning a one mine company for very long. It was supposed to be a takeover story. And since then the political risks in Turkey have been on the rise. Furthermore, the stock is dicey to hold this year for two additional reasons: (1) they are transitioning from oxide to sulphide so we might be in for surprises, and (2) they have more or less hedged their 2018 production at ~\$1300/oz gold. And how I love the hedgers! Not.

Take some profits in the shares on current strength, hold a little in case of a takeover, await our decision.



**Argonaut Gold (ARNGF, MCap \$334.2M, 177.22M SO)** reported Q1 net income of \$12.2 million (Q1 2017: \$12 million) and operating cash flow of \$17.89 million (Q1 2017: \$12.81 million) on production of 40,853 gold equivalent ounces (GEOs) (Q1 2017: 37,707 GEOs) at an AISC of \$781/oz (Q1 2017: \$870/oz). The company expects to produce 165-180,000 gold ounces in 2018 at an AISC of \$850-950/oz, which would result in approximate non-GAAP operating cash flow of \$81 million or 46 cents per share. The company ended the first quarter with \$21.3 million in cash. Pete Dougherty, President and CEO stated:

*During the first quarter, we added \$7.2 million in net cash to our balance sheet. We expect to continue to generate strong free cash flow, particularly during the second half of 2018, as we see the benefits of the throughput enhancements made at El Castillo and ramping up San Agustin production. Our primary objectives this year are to build cash on the balance sheet, continue to ramp up production, execute on our 65% growth program from 2017 to 2019 and de-risk our development assets. As our first quarter data shows, we are off to a strong start on all fronts.*

Argonaut reported an updated mineral reserve and resource estimate across its mines.

At the El Castillo complex, mineral reserves increased by 74% to 1.3 million gold ounces due to the addition of the San Juan concession. The El Castillo Complex consists of the El Castillo Mine and the San Agustin Mine, which share nearby infrastructure and resources. The increase will add to mine life. At La Colorada, Argonaut declared a maiden mineral reserve estimate of 435,000 gold ounces and 7.6 million silver ounces.

About these projects, Pete Dougherty stated:

*We feel we have more opportunity at El Castillo in the future with approximately an additional 220,000 gold ounces in Measured and Indicated Mineral Resource above and beyond the Mineral Reserve. With San Agustin now also having achieved commercial production, the El Castillo Complex boasts a Proven and Probable Mineral Reserve of 1.3 million gold ounces and 26.2 million silver ounces and across our Mexico operations we now have over 1.7 million gold ounces of Mineral Reserves. At La Colorada, we continue to demonstrate our ability to consistently replace the ounces we deplete annually through mining due to our successful exploration programs.*

The company appears to have had a temporary setback, as its explosives permit at La Colorada has been suspended over a pending legal action brought forth by four individuals against the Secretary of National Defense and the Municipality of La Colorada, citing that the permit should never have been granted.

The court hearing is scheduled for June 4. Operations continue normally for now.

**Endeavour Mining (EDVMF, MCap \$1.8B, 105.82M SO)** reported Q1 net income of \$28 million (Q1 2017: \$8 million net loss) and operating cash flow of \$48 million (Q1 2017: \$53 million) on production of 185,000 gold ounces (Q1 2017: 133,000) at an AISC of \$774/oz (Q1 2017: \$895/oz).

The company forecasts 2018 production of 620-720,000 ounces at an AISC of \$840-890/oz, with the first full year of production from its Houndé mine expected to be 250-260,000 ounces.

Sébastien de Montessus, President & CEO, stated:

*We enjoyed record production levels driven by the successful ramp up at Houndé, which is now fully derisked and processing mainly harder fresh ore through the plant. This strong performance was also a key contributor to both the improved group All-in Sustaining Cost, which was well below \$800 per ounce for the quarter, and the significant increase in operating cash flow. At Houndé, we are seeing particularly strong cash flow as the asset has already generated over \$100 million in All-In Margin since commercial production began in November last year.*





*We look forward to further increasing the quality of our portfolio with the Ity CIL project which is progressing on budget and on time for first gold pour in mid-2019. Finally, we are continuing to generate positive results from our exploration program, with efforts during Q1 mainly focused on the Kari discovery made at Houndé last year for which we expect to issue results in the coming weeks, and at Kalana for which we expect to publish an updated resource by mid-year.*

Endeavour reported a net loss of \$177 million in 2017 (2016: \$52 million net loss) and operating cash flow of \$222 million (2016: \$154 million) on production of 663,000 gold ounces (2016: 592,000) at an average AISC of \$869/oz (2016: \$886/oz). Those full year results were impacted by impairment charges amounting to \$130.4 million at Tabakoto and \$53.6 million at Nzema. At Ity, the CIL construction is on-time and on-budget, with first gold pour expected in mid-2019. At Kalana, a resource update is expected by mid-year and an updated feasibility study by year-end. The company has budgeted \$40-45 million for exploration in 2018, in line with 2017 spend of \$44 million. Houndé will be a strong exploration focus with a \$9 million 125,000 metres drill program aimed at drilling the entire Kari anomaly and delineating a maiden resource.

The company has entered into a gold collar hedge contract for 40% of its gold production until April 2019, with the intent to protect cash flow during Ity CIL progress. The contract hedges 40% of its production from a fall in gold price below \$1300/oz while giving up potential upside if the price rises above \$1500/oz.



**Premier Gold (TSX:PG, MCap \$549.1M, 202.62M SO)** produced 30,550 gold ounces and 59,826 silver ounces in Q1 2018. At South Arturo, processing of ore stockpiled from the Phase 2 open pit will continue into Q2.

At Mercedes, Premier continues to focus on developing new deposits to increase flexibility, productivity, and reduce costs. Premier reported 2017 net income of \$23.2 million and operating cash flow of \$77.2 million on production of 139,658 gold ounces and 357,901 silver ounces at

an AISC of \$627/oz. The company ended the year with a cash position of \$129.3 million and has forecast 2018 production of 85,000-95,000 gold ounces at an AISC of \$800-850/oz.

The production decrease in 2018 is due to the planned shut down of the Phase 2 open pit at South Arturo, but will ramp up again once the El Niño and Phase 1 pits are brought online. The company is also working on a PEA on its McCoy-Cove deposit, expected to be completed within H1 2018.

Ewan Downie, President and CEO, stated:

*Our strong cash position has enabled us to begin the development of three additional deposits from within our project portfolio, the first of which is the Phase 1 pit at South Arturo, where the use of autonomous haul technology is expected to reduce costs and demonstrate the potential for improved project economics across the South Arturo JV.*

Premier has updated its mineral reserve and resource estimate at Mercedes and South Arturo:

| Mine                           | Proven and probable reserve | Measured and indicated resources | Inferred resources  |
|--------------------------------|-----------------------------|----------------------------------|---------------------|
| Mercedes                       | 417,000 gold ounces         | 511,000 gold ounces              | 220,000 gold ounces |
| South Arturo (Premier's share) | 269,800 gold ounces         | 286,200 gold ounces              | 30,900 gold ounces  |

Premier also announced drill results at South Arturo and its Hasaga project in Ontario.

**South Arturo highlights: 42.7 metres of 11.20 g/t Au, including 7.6 m of 32.47 g/t Au; 68.6 m of 15.92 g/t Au, including 10.7 m of 64.57 g/t Au; 79.7 m of 5.21 g/t Au; and 15.2 m of 28.26 g/t Au.**

**Hasaga highlights: 6.0m of 13.67 g/t Au; 4.0m of 26.45 g/t Au; 1.0m of 20.00 g/t Au and 2.0m of 58.76 g/t Au.**

**McEwen Mining (MUX, MCap \$738.22M, 337.09M SO)** reported Q1 net loss of \$5.2 million (Q1 2017: \$3 million) and cash flow from operating activities of \$11 million (Q1 2017: negative 6.9 million) on production of 35,069 gold ounces and 695,651 silver ounces, or 44,344 GEOs (Q1 2017: 29,733). Gold production was down 30% quarter-on-quarter, primarily due to the winding down of El Gallo where mining is expected to cease shortly.



The newly acquired Black Fox mine produced 12,078 GEOs, in line with 2018 guidance of 48,000 GEOs.

The company provided a construction update on its Gold Bar project in Nevada. Construction is on track, with anticipated completion in 2018 and commercial production in 2019. Primary activities so far this year have focused on finishing civil works related to the heap leach pad, solution and event ponds, as well as all site infrastructure, in preparation for major equipment and material deliveries in the second quarter.

McEwen also reported drill results from its Black Fox complex. During Q1 a total of 42,400m of exploration drilling was completed, consisting of 11,200 m from underground and 31,200m from surface. Highlights: 5.24 g/t Au over 11.96m; 23.88 g/t AuEq over 6.47m and 639.00 g/t Au over 0.55m.

### TSXV Most Actives & Other News (February 19-23)

**Nautilus Minerals (NUS.TO, MCap \$140.35M)** was up 55.8% for the week. The company continues to advance its Solwara 1 project, with construction of its Production Support Vessel (PSV) now 75% complete.

**Jaxon Mining (JAX.V, MCap \$10.7M)** was down 34.7% for the week on reporting grab sample assays from a new discovery at the Hazelton Project in British Columbia. Of the 49 samples assayed, 3 of them

returned 33.8 g/t, 18.4 g/t and 18.3 g/t gold with tellurium concentrations exceeding 73 g/t. The shares have been under selling pressure since the release of disappointing drill results at a silver-zinc target on the same property the previous week.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) up 10%
- Millennial Lithium (ML.V, MCap \$221.7M) down 4.9%
- Cobalt Power Group (CPO.V, MCap \$18.13M) up 2.1%
- A.I.S. Resources (AIS.V, MCap \$19.84M) down 39%
- US Cobalt (UCO.V, MCap \$76.32M) up 5.3%
- Cruz Cobalt (CUZ.V, MCap \$14.55M) up 10.6%

---

### TSXV Most Actives & Other News (February 26-March 2)

**Coro Mining (COP.TO, MCap \$58.77M)** was down 21.4% for the week on news that it had entered into a \$5 million credit agreement at 12% rate of interest, with the rate adjusted to 15% in 11 months.

**Nautilus Minerals (NUS.TO, MCap \$140.35M)** was down 31.4% for the week. The company announced the completion of a PEA at the Soliwaru 1 project, highlighting an after-tax NPV (15%) of \$59 million and after-tax IRR of 28%. The company needs to raise an additional \$243 million to fund initial capex. In other words, the project is uneconomic.

**Kintavar Exploration (KTR.V, MCap \$27.2M)** was down 34% for the week on reporting drill results from its maiden drilling program on the Mitchi project, with 4 out of 12 drill holes intersecting over 100m of copper mineralization. Highlights: 206.3m grading 0.18% Cu and 1.65 g/t Ag, including 21.9m of 0.52% Cu and 16.5m of 0.50% Cu.

**ML Gold (MLG.V, MCap \$9.25M)** was down 24% for the week. The company announced a new discovery on its Stars project in British Columbia, where drilling intersected 40.2m grading 1.02% CuEq. The mineralisation bears characteristics of a porphyry system.

**Max Resource (MXR.V, MCap \$9.15M)** was up 42.8% for the week. The company acquired the Copperbelt project in Columbia, a 40,000 hectare property that it believes contains widespread copper mineralisation. The property includes the historic Cerro de Cobre mine, where channel sampling in 2008 returned 22.8 metres grading 3.16% copper and 15.3 g/t silver.

**Novo Resources (NVO.V, MCap \$899M)** was up 25.2% for the week on no news.

Electric Vehicle plays:

- Nemaska Lithium (NMX.TO, MCap \$402M) down 19%
- Royal Nickel (RNX.TO, MCap \$64.2M) up 3.7%
- Advantage Lithium (AAL.V, MCap \$162.54M) down 10.8%

- Azincourt Energy (AAZ.V, MCap \$5.45M) down 17.1%
- Cobalt Power Group (CPO.V, MCap \$18.13M) down 16%
- Cobalt 27 Capital (KBLT.V, MCap \$627.5M) down 9.9%
- Cornerstone Metals (CCC.V, MCap \$18.15M) up 46.4%
- Cruz Cobalt (CUZ.V, MCap \$14.55M) down 8.1%
- First Cobalt (FCC.V, MCap \$149.74M) down 4.3%
- Lithium X Energy (LIX.V, MCap \$258.72M) down 10.2%
- NRG Metals (NGZ.V, MCap \$36.79M) up 4%
- Namibia Rare Earths (NRE.V, MCap \$50.49M) up 128.6%
- QMC Quantum Minerals (QMC.V, MCap \$35.67M) down 21.7%
- Spearmint Resources (SRJ.V, MCap \$5.19M) down 15%
- US Cobalt (UCO.V, MCap \$76.32M) down 13.7%

### TSXV Most Actives & Other News (March 5-9)

**K92 Mining (KNT.V, MCap \$137.65M)** was up 25% for the week on reporting drill results from the Kora North Extension of its Kainantu gold mine in Papua New Guinea. Highlights: 6.95m grading 13.78 g/t Au; 2.65m grading 14.51 g/t Au, 63 g/t Ag and 2.58% Cu; 3.4 m grading 16.84 g/t Au, 23 g/t Ag and 1.35% Cu; and 3.2m grading 9.83 g/t Au and 52 g/t Ag.

**Sable Resources (SAE.V, MCap \$30.78M)** was up 35.3% for the week on no news.

Electric Vehicle plays:

- Cobalt Power Group (CPO.V, MCap \$18.13M) down 5%
- LiCo Energy Metals (LIC.V, MCap \$10.2M) down 7.7%
- Lithium X Energy (LIX.V, MCap \$258.72M) up 16.3%
- Power Metals (PWM.V, MCap \$46.88M) up 12.1%
- US Cobalt (UCO.V, MCap \$76.32M) up 9.9%

### TSXV Most Actives & Other News (March 12-16)

**Adamera Minerals (ADZ.V, MCap \$6.92M)** was down 47.1% for the week. Drilling at a VTEM target at its Cooke Mountain project in Washington returned no significant results and the company is moving on to other targets.

**Garibaldi Resources (GGL.V, MCap \$358.88M)** was up 26.5% for the week on no news.

**Rusoro Mining (RML.V, MCap \$54.56M)** was up 37.5% for the week. The company's mineral assets in Venezuela were nationalised in 2012 and the company has been moving the courts seeking compensation since then. Recently, a US court upheld a \$1.3 billion compensation claim against the state of Venezuela, entitling the company to seize Venezuelan assets in the US to satisfy its claim.



Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) up 19.1%
  - Nemaska Lithium (NMX.TO, MCap \$402M) up 3%
  - Royal Nickel (RNX.TO, MCap \$64.2M) up 3.8%
  - AIS Resources (AIS.V, MCap \$19.84M) up 42%
  - Bankers Cobalt (BANC.V, MCap \$13.42M) down 10.8%
  - Cobalt Power Group (CPO.V, MCap \$18.13M) down 5.3%
  - Crystal Lake Mining (CLM.V, MCap \$42.84M) up 18.8%
  - Cruz Cobalt (CUZ.V, MCap \$14.55M) down 8.6%
  - NRG Metals (NGZ.V, MCap \$36.79M) up 14.8%
  - QMC Quantum Minerals (QMC.V, MCap \$35.67M) up 33.3%
  - US Cobalt (UCO.V, MCap \$76.32M) up 30%
- 

### TSXV Most Actives & Other News (March 19-23)

Electric Vehicle plays:

- Ecobalt Solutions (ECS.TO, MCap \$217.7M) up 15.4%
  - AIS Resources (AIS.V, MCap \$19.84M) down 4.5%
  - Cobalt Power Group (CPO.V, MCap \$18.13M) down 5.3%
  - Liberty One Lithium (LBY.V, MCap \$23.99M) up 6.7%
  - Lithium Energi Exploration (LEXI.V, MCap \$19.67M) down 2.4%
  - NRG Metals (NGZ.V, MCap \$36.79M) down 5.9%
- 

### TSXV Most Actives & Other News (March 26-30)

**Asanko Gold (AKG.TO, MCap \$338.25M)** was up 25% for the week on news that it had signed a 50/50 JV with **Gold Fields (GFI, MCap \$3.06B)** on its Asanko gold project in Ghana. The company will receive \$185 million from Gold Fields and in addition, Gold Fields will purchase a 9.9% stake in Asanko for \$17.6 million.

**Balmoral Resources (BAR.TO, MCap \$29.09M)** was down 35.6% for the week on reporting a disappointing initial resource estimate at its Martiniere property in Quebec. The property hosts an open pit-constrained Indicated gold resource of 431k ounces at an average grade of 2.0 g/t and an Inferred gold resource of 11k ounces at an average grade of 2.5 g/t (0.5 g/t cut-off). The underground deposit contains 159k gold ounces at an average grade of 4.54 g/t in the Indicated category and 43k ounces at an average grade of 5.75 g/t in the Inferred category. As a result of this news, Casey Research newsletter International Speculator, which had initiated coverage in 2013, closed their position.

**Canada Rare Earth (LL.V, MCap \$15.04M)** was up 33.3% for the week on no news.

**NV Gold (NVX.V, MCap \$15.7M)** was up 25% for the week. The company is a newly listed gold explorer which has raised capital to drill its Across the Valley gold project in north-central Nevada.

Electric Vehicle plays:

- Lithium Americas (LAC.TO, MCap \$662.84M) down 7.3%
  - Royal Nickel (RNX.TO, MCap \$64.2M) down 7.4%
  - Advantage Lithium (AAL.V, MCap \$162.54M) up 1.9%
  - Cruz Cobalt (CUZ.V, MCap \$14.55M) up 3.7%
  - First Cobalt (FCC.V, MCap \$149.74M) down 8%
  - NRG Metals (NGZ.V, MCap \$36.79M) down 12.5%
  - US Cobalt (UCO.V, MCap \$76.32M) down 5.6%
- 

### **TSXV Most Actives & Other News (April 2-6)**

**Torex Gold (TXG.TO, MCap \$1.13B)** was up 44.4% for the week. The company had been facing labour issues at its ELG mine in Mexico, with a group of unionized workers illegally blockading access to the mine since November. The dispute has now been resolved and mine operations are back to normal.

**Wallbridge Mining (WM.TO, MCap \$19.21M)** was up 33.3% for the week. The company announced that it has entered into agreements to deliver 10,870 ounces of gold from its bulk sampling program at the Fenelon gold project in Quebec to Auramet International at a price of CAD\$1720 per ounce, for proceeds of \$18,696,400. The deliveries and payments are scheduled between August and December of 2018.

**NV Gold (NVX.V, MCap \$15.7M)** was down 36.4% for the week. The company closed a \$1 million private placement and completed a single drill hole at its Across the Valley project in north-central Nevada, assays pending.

**Zinc One Resources (Z.V, MCap \$13.53M)** was down 26.4% for the week on no news. The company is awaiting drill results from its Bongará mine in Peru.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) down 2.3%
- Nemaska Lithium (NMX.TO, MCap \$402M) up 1.5%
- Royal Nickel (RNX.TO, MCap \$64.2M) down 19.2%
- Crystal Lake Mining (CLM.V, MCap \$42.84M) down 24.6%
- ePower Metals (EPWR.V, MCap \$7.3M) down 17.4%
- Neo Lithium (NLC.V, MCap \$193.63M) down 6.5%
- Standard Lithium (SLL.V, MCap \$99.2M) down 12.2%
- Spearmint Resources (SRJ.V, MCap \$5.19M) down 8.3%

---

## TSXV Most Actives & Other News (April 9-13)

**Eagle Plains Resources (EPL.V, MCap \$12.16M)** was down 40.7% for the week. The company, a prospect generator, has spun-off certain of its properties which have been optioned out, into **Taiga Gold (TGC.V, MCap \$9M)**. The share price decline reflects the unlocking of value of these properties, as EPL continues along the prospect generator path.

**Evrin Resources (EVM.V, MCap \$96.44M)** was up 70.4% for the week on reporting assays from its trenching program at its Cuale high sulphidation epithermal gold project in Mexico. Highlights: 1.28 g/t gold over 351.8m; 2.09 g/t gold over 193.5m; 2.46 g/t gold over 120m; and 5.77 g/t gold over 8m.

**K92 Mining (KNT.V, MCap \$137.65M)** was up 28.6% for the week on reporting Q1 2018 production of 9,324 ounces of gold and 165,976 pounds of copper from its Kainantu gold mine in Papua New Guinea. The company also reported an updated mineral resource estimate of 63,700 gold equivalent ounces in the Measured and Indicated category and 95,000 ounces in the Inferred category.

Electric Vehicle plays:

- Nemaska Lithium (NMX.TO, MCap \$402M) down 7.7%
- Bankers Cobalt (BANC.V, MCap \$13.42M) down 45.2%
- Crystal Lake Mining (CLM.V, MCap \$42.84M) down 9.6%
- Cobalt Power Group (CPO.V, MCap \$18.13M) down 2.9%
- Cruz Cobalt (CUZ.V, MCap \$14.55M) up 20.8%
- NRG Metals (NGZ.V, MCap \$36.79M) up 3.3%
- Spearmint Resources (SRJ.V, MCap \$5.19M) up 27.3%
- US Cobalt (UCO.V, MCap \$76.32M) up 8%

---

## TSXV Most Actives & Other News (April 16-20)

**GoldQuest Mining (GQC.V, MCap \$57.28M)** was up 36.8% for the week on putting out a press release which essentially just stated that all is well. Bill Fisher, Gold Quest's CEO, stated: *"On 22nd January 2018, the Minister of Energy and Mines announced that the Company had fully complied with every requirement for an Exploitation License under the Mining Law. The Minister sent this application to the Office of the President for ratification, which the Company eagerly awaits. All activities by GoldQuest will be carried out under the Mining Law, maintaining international standards and safeguards."*

**NV Gold (NVX.V, MCap \$15.7M)** was up 30.6% for the week on no news.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) up 5.3%
- Royal Nickel (RNX.TO, MCap \$64.2M) up 14.3%

- Bankers Cobalt (BANC.V, MCap \$13.42M) up 10.5%
  - North American Nickel (NAN.V, MCap \$41.6M) up 16.7%
  - Spearmint Resources (SRJ.V, MCap \$5.19M) down 14.3%
- 

### TSXV Most Actives & Other News (April 23-27)

**Detour Gold (DGC.TO, MCap \$1.79B)** was down 31.8% for the week on reporting Q1 results. The company produced 157,141 gold ounces at an AISC of \$1072/oz, bringing in \$9.9 million in net income, from its flagship Detour Lake mine in Ontario. However, its plan of bringing gold production forward by accelerating the mining of its higher grade zones was nixed due to lack of support from the Aboriginal communities. The company now anticipates the development of these zones to be pushed out to beyond 2023.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) down 37.7%
  - Spearmint Resources (SRJ.V, MCap \$5.19M) down 7.7%
- 

### TSXV Most Actives & Other News (April 30-May 4)

**Mineral Mountain Resources (MMV.V, MCap \$22.17M)** was down 46% for the week on reporting drill results from 3 drill holes at its Standby Mine Target in South Dakota, where it is targetting Homestake mine style mineralisation. Highlights: 2.0 g/t Au over 3.2 meters, 3.36 g/t Au over 24 meters, 2.3 g/t Au over 12 meters, and 10.23 g/t Au over 3.05 meters.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) up 32.8%
  - Cobalt Power Group (CPO.V, MCap \$18.13M) down 20%
  - Advantage Lithium (AAL.V, MCap \$162.54M) down 6.2%
  - Canada Cobalt Works (CCW.V, MCap \$20.03M) down 19.2%
  - Bankers Cobalt (BANC.V, MCap \$13.42M) down 12.5%
- 

### TSXV Most Actives & Other News (May 7-11)

**Cordoba Minerals (CDB.V, MCap \$40.3M)** was up 52.9% for the week. The market is front running drill results from its San Matias Copper-Gold project in Colombia, where surface grab samples have yielded assays up to 70.5 g/t gold and 8.95% copper.

**Pacton Gold (PAC.V, MCap \$42.1M)** was up 57.1% for the week. The company is the third largest landholder in the Pilbara gold rush in Australia, the one which contributed to **Novo Resources (NVO.V,**



**MCap \$967.83M**) stellar 2017 performance (up 367% for the year). Pacton Gold closed a \$5.5 million financing and brought Eric Sprott onboard as a significant shareholder. Sprott owns 10.1% of the common shares, and assuming full exercise of warrants, will hold an 18.4% ownership interest in the company.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) down 2.1%
- Royal Nickel (RNX.TO, MCap \$64.2M) down 9.1%
- LiCo Energy Metals (LIC.V, MCap \$10.2M) down 37.5%

---

### **TSXV Most Actives & Other News (May 14-18)**

**Marlin Gold (MLN.V, MCap \$46.32M)** was down 23.7% for the week on announcing that it will be acquired by **Golden Reign Resources (GRR.V, MCap \$44.18M)** in an all share deal. Golden Reign operates in Nicaragua, which has recently become a political hotspot with violent anti-government protests on the streets, while Marlin operates in relatively-safe Mexico, hence the sell-off is no surprise.

Electric Vehicle plays:

- Katanga Mining (KAT.TO, MCap \$1.8B) up 2.1%
- Lithium Americas (LAC.TO, MCap \$662.84M) up 15.9%
- Nemaska Lithium (NMX.TO, MCap \$402M) down 3.8%
- Royal Nickel (RNX.TO, MCap \$64.2M) down 5%
- Advantage Lithium (AAL.V, MCap \$162.54M) up 12%
- Azincourt Energy (AAZ.V, MCap \$5.45M) down 10.5%
- NRG Metals (NGZ.V, MCap \$36.79M) up 7.4%

*Ed Bugos & Kashyap Sriram*

---

**Legal Disclaimer:** This information is for information purposes only and is not intended to be an offer or solicitation for the sale of any financial product or service or a recommendation or determination by TDV that any investment strategy is suitable for a specific investor. Investors should seek financial advice regarding the suitability of any investment strategy based on the objectives of the investor, financial situation, investment horizon, and their particular needs. This information is not intended to provide financial, tax, legal, accounting or other professional advice since such advice always requires consideration of individual circumstances. The products discussed herein are not insured by any governmental agency, are subject to risks, including a possible loss of the principal amount invested. Generally, the investments in this blog may be more volatile on a daily basis and have higher headline risk than other sectors as they tend to be more sensitive to political and regulatory events. Because of significant volatility, large spreads and very limited market liquidity, typically you will not be able to sell a low priced security immediately at the same price you purchased the stock. In some cases, the stock may fall quickly in value. Investing in foreign markets may entail greater risks than those normally associated with domestic markets, such as political, currency, economic and market risks. You should carefully consider whether trading in low priced and international securities is suitable for you in light of your circumstances and financial resources. This blog does not constitute an offer to sell or solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. Past performance is no guarantee of future returns. TDV, entities that it controls, family, friends, employees, associates, and others may hold positions in the securities it recommends to clients, and may sell the same at any time. This document was prepared by Jeff Berwick and Ed Bugos exclusively for TDV Premium subscribers. The information contained in this document was taken directly from the company's presentation or from reliable sources; however we cannot ensure the accuracy of the information contained in this report. The author may be compensated for any introductions of accredited investors as it relates to this offering. Investing does come with some risk, however we will not be liable for any financial losses which might occur as a result of your participation in this financing. Please contact the company directly to verify any of the facts and figure.