

July 22, 2019

Gold
Golden Summer Conference

Thematic

We believe that a new bull market has started in gold. This along with investor interest, caused us to host a pair of gold conferences in New York and Toronto, last week. Each conference was opened by Derek Macpherson, VP Research at Red Cloud, highlighting why we believe we are in a new bull market, and 3 keys to investing in it ([link](#)). Followed by presentations from [Tonogold Resources \(OTC:TNGL\)](#), [Brixton Metals \(TSXV:BBB\)](#), [Mawson Resources \(TSX:MAW\)](#), [Fiore Gold \(TSXV:F\)](#), [Minera Alamos \(TSX:MAI\)](#), [NxGold \(TSXV:NXN\)](#), [Gran Colombia Gold \(TSX:GCM\)](#), [Orford Mining \(TSXV:ORM\)](#), [Pacton Gold \(TSXV:PAC\)](#), [Aquila Resources \(TSX:AQA\)](#) and [RNC Minerals \(TSX:RNX\)](#).

Company Presentation Summaries:

CEO and Director, Mark Ashley, presented on behalf of [Tonogold Resources \(OTC:TNGL\)](#), a gold exploration company focused on rediscovering the high-grade nature of the Comstock Lode in Nevada, one of most significant historic gold discoveries in the United States. Once the property acquisition is complete, the company plans to undertake an aggressive exploration program to demonstrate the high grades it believes were left behind by miners in the late 19th and early 20th century. **We believe that that as Tonogold demonstrates both the high-grade potential and the likely scale, the company has the potential to materially re-rate.**

Chairman and CEO, Gary Thompson, presented on behalf of [Brixton Metals \(TSXV:BBB\)](#), a precious metals explorer focused on advancing its wholly-owned Thorn and Atlin projects in British Columbia's Golden Triangle. While the company has a significant portfolio of assets in North America, the presentation focused on Thorn and Atlin. Mr. Thompson explained the significance of drill results released from Thorn last week, 555m grading 1.97 g/t AuEq, that has the stock up 69%. We were particularly encouraged by the presence of mineralized porphyry clasts within the hole and evidence of multiple styles/pulses of mineralization, which suggests the company may be closing in on a porphyry discovery. Additionally, the company highlighted that it is actively drilling at its Atlin project, and that we should expect first results in early August. **Based on Atlin and Thorn alone, we have a fair value estimate of C\$0.40/sh for Brixton.**

Director, Philip Williams, presented on behalf of [Mawson Resources Ltd \(TSX:MAW\)](#); a gold explorer focused on its Rompas-Rajapalot project in Finland. Mawson has been advancing its Finnish projects for multiple years, and we believe the company has gained significant momentum at unlocked the geologic controls for high grade gold at Rajapalot. We are encouraged by Mawson's ongoing drilling success this season and continue to believe that the company should at least double the resource at Rajapalot With an unconstrained inferred maiden resource of 482koz grading 2.4g/t AuEq (1.7g/t Au and 0.041% Co), the project is off to a good start and we expect the resource to grow materially with the next drill program, planned for this summer. **We believe the company is potentially worth C\$0.79/share.**

CEO and Director, Tim Warman, presented on behalf of [Fiore Gold \(TSXV:F\)](#), a Nevada focused gold producer. Mr. Warman highlighted the steady improvements that the company has been making at its Pan Mine in Nevada, and that the most recent improvement, a crusher addition, should add 6-7koz of production per year. Additionally, the company expects to deliver organic growth from its adjacent Gold Rock project. With Gold Rock already federally permitted, we believe there is a short path to production which should allow the company to organically grow to +100k oz per year by 2022. **We believe that with continued operating execution, exploration success at Pan and demonstrating the potential of Gold Rock, should re-rate the stock.**

CEO and Director, Darren Koningen, presented on behalf of [Minera Alamos Inc \(TSXV:MAI\)](#), a development company with a portfolio of low-capex, quick to production Mexican assets including Santana, a low-capex open pit heap-leach development project and the PEA stage, La Fortuna, an open pit gold project. The company expects Santana, to be a quick to production low capex smaller scale project, but highlighted the exploration upside, which could make this first project much bigger later in its operating life. **Minera Alamos' combination of quick to production, low-capex projects in Mexico, together with a management team that has done it before, has the company well positioned to be the next production growth story that should re-rate as management achieves key milestones.**

CEO, President and Director, Chris McFadden, presented on behalf of [NxGold Ltd \(TSXV:NXN\)](#) who are advancing its Pilbara projects towards a maiden drill program. The company recently completed a H1/19 field program its Mt Roe Gold project in the Karratha region of Western Australia where results continue to define a number of hard and conglomerate target areas. Results continue to uncover anomalous structures which should be tested with drilling. **With cash in the back, this early stage explorer provides investors option value on a potential discovery as this bull market develops.**

Mauricio Ostos, presented on behalf of [Gran Colombia Gold \(TSX:GCM\)](#), a mid-tier gold producer operating two mines in Colombia. The company currently operates the Segovia and Marmato gold mines with a combined annual production of 225-240koz Au expected this year. Recent operating results for Q2 2019 highlighted another strong quarter of production at Segovia, which we expect to translate to positive Q2 financial results expected early August. At the company's smaller Marmato operation, we are awaiting a PEA on the Marmato Deeps resource, which we are expecting to highlight a bulk mineable underground resource and could represent a step change in production profile for Colombia. **We currently have a fair value estimate of C\$6.00/sh, and expect the company to re-rate with continued operating execution and exploration success.**

CEO, President and Director, David Christie, presented on behalf of [Orford Mining Corp \(TSXV:ORM\)](#), a gold explorer focused on the exploration of the Qiqavik and West Raglan projects in the Cape Smith Belt of Northern Quebec. Orford recently announced plans for its 2019 summer exploration program at its wholly owned Qiqavik property, where the company has potentially discovered a new gold belt in northern Quebec. **We view Orford as an inexpensive call option on a highly prospective district scale exploration play and believe the company could re-rate on the first hint of drilling success**

Executive Chairman and Director, Dale Ginn, presented on behalf of [Pacton Gold Inc \(TSXV:PAC\)](#) a gold explorer with two prospective assets in the Pilbara district of Western Australia and the Red Lake district of Ontario. With geophysical analysis, Pacton is quickly advancing its Red Lake project to be drill ready for later this summer. In Australia, Pacton recently released promising prospecting results from its Friendly Creek tenements where it appears to be closing in on a vein hosted gold target while also advancing its other Australian projects including Boodalyerrie, Yandicoogina Gold Projects. **With exploration targets on**

two continents and C\$5.6M of funding in place, we expect the coming season to be value creating for shareholders.

CEO, Barry Hildred, presented on behalf of **Aquila Resources (TSX:AQA)**, a gold/zinc developer focused on advancing its Back Forty project in Michigan to production. The company is currently in the process of permitting Back Forty, where the Mining and Wetland permits have been contested. The company announced in May that the Michigan Department of Environment, Great Lakes and Energy reached a final decision to uphold Aquila's Mining permit, which was in-line with our expectations and is the outcome we are expecting for the same judge's ruling on the Wetlands Permit. **We have a fair value estimate of C\$0.36/sh, which is based on 0.60x our NAVPS estimate of C\$0.60/sh. The company currently trades at 0.33x our NAVPS estimate versus peers at 0.40x; an unwarranted discount because of the de-risked, high-margin nature of the project.**

Rob Buchanan, presented on behalf of **RNC Minerals (TSX:RNX)**, a gold producer focused on operating its Beta Hunt and Higginsville mines in Western Australia. Other assets include a 28% stake in the JV that owns the Dumont Nickel Project located in the Abitibi mining camp in Quebec. RNC also owns a 33% interest in Orford Mining (TSXV:ORM), a mineral explorer focused on highly prospective and underexplored areas of Northern Quebec. The company recently closed the acquisition of the Higginsville mine and mill, an essential step towards the company becoming a +100koz/year producer as early as 2021. After recently announcing a larger than expected resource update from the Western Flanks Zone, upcoming catalysts for the company include another resource update for Beta Hunt from the A Zone. **We currently have a fair value of C\$1.00/sh for RNC and continue to believe that the combined Beta Hunt/Higginsville operations should drive a re-rating for the stock.**

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Tonogold Resources	OTC:TNGL	2
Brixton Metals	TSXV:BBB	2,3,4
Mawson Resources	TSX:MAW	1,2,3,4
Fiore Gold	TSXV:F	1,2,3,4
Minera Alamos	TSX:MAI	1,2
NxGold	TSXV:NXN	1,2,3,4
Gran Colombia Gold	TSX:GCM	1,2,3,4
Orford Mining	TSXV:ORM	2,3,4
Pacton Gold	TSXV:PAC	1,2,3,4
Aquila Resources	TSX:AQA	1,2,3,4
RNC Minerals	TSX:RNX	1,2,3,4

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