

*Near-term production and district-scale exploration wins notable investors' hearts*

## Golden Predator is an easy buy

The first half of 2016 saw gold's triumphant return, with the price of the precious yellow metal rising and gold equities following handsomely in lockstep, to investors' delight.

Those with the fortitude to stay "long" in their portfolio positions in the darkest of times were paid their due reward.

But are the good times here to stay? Perhaps but possibly not.

Recent chatter over the possibility of the Federal Reserve raising interest rates south of the border has placed a dark cloud over gold's glitter, making investors skittish about the metal and related equities alike. So, is this current pause simply a short-term correction or more of a fundamental reversal warranting all recent investor caution?

When one considers the impact of negative interest rates, further uncertainty post-Brexit (who is next?), the U.S. election, and what seems to be Asia's never-ending appetite for gold, longer price movements continuing along a generally upward trend does seem plausible.

Some market pundits are calling for spot gold pricing of US\$1,450 an ounce by this year's end, based on fundamentals remaining intact. Perhaps even a rate increase by the Fed will only be a



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blip in gold's recovery into the second half of 2016 and beyond.

In short, fundamentals do appear strong and firmly intact regardless of the Fed's decision to raise rates or not.

If you are a gold believer, where might an investor look to participate? There is a sea of choices but making the right one is often tricky and wrong decisions are habitually costly.

Following the moves of the big boy investors can often be a good way to go.

We know too well that they have a team of analysts and geologists performing the due diligence that an average investor simply cannot. More importantly, they have a track

history of success that is more often than not worth following.

Eric Sprott is a name synonymous with gold investing in Canada and abroad. So too are the likes of Albert Friedberg, Rob McEwen and PowerOne's Pat DiCapo.

So what do four of Toronto's most notable gold investors all have in common? In addition to foresight, they all own a very large and publicly disclosed interest in **Golden Predator Mining Corp.** (GPY-TSX/VEN, \$0.75; NTCSE-OTC, US\$0.59).

As one "drills down" a little further into the company's management, share structure, cash position and its two gold properties, it quickly becomes apparent why. In the investing world, there is a saying, "Don't bet on the horse, bet on the jockey."

The argument is that strong executives deliver as they have done in the past, so quality of leadership matters more than the line of business. Golden Predator's executive chairman Bill Sheriff certainly fits the bill, so to speak.

Before taking on his role at Golden Predator, Mr. Sheriff co-founded Energy Metals Corp. where, as chairman, he marshalled this NYSE-listed company to a \$1.8-billion dollar sale to none other

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3 Aces site is orogenic, akin to California's Mother Lode

# Brewery PEA based on US\$1,250 gold price

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er than Uranium One.

Like Messrs. Spratt and DiCapo, as well as McEwen Mining, Golden Predator's Bill Sheriff owns a significant interest in Golden Predator, a staggering 15 per cent in fact, aligning himself with investors' interests, whether large or small.

## Sheriff of the Yukon

Why is Mr. Sheriff in town? Well, firstly it's to move the company's Brewery Creek mine towards production. Back in 1996 until 2002, Brewery Creek, located 45 minutes from Dawson City in the Yukon, operated as an open-pit heap leach producer but closed due to low gold prices.

In step with gold's recovery, since 2009, more than \$30 million has been spent at the mine, and one million ounces of gold defined. Then, in 2014, Golden Predator issued a positive preliminary eco-

nomic assessment (PEA) demonstrating a 22 per cent internal rate of return and a mine life of nine years.

However, note that this PEA assumed a gold price of US\$1,250 an ounce and production of only 450,000 ounces compared to some 800,000 gold ounces today.

Since then, the price of the metal has risen, while costs have decreased, making this company-building asset more attractive than ever.

Brewery Creek could produce between 40,000 ounces and 50,000 ounces of gold for the next 10 years at an attractive cash cost of approximately \$750 per ounce, making it highly profitable.

A 1,600-metre drill program at Brewery Creek is currently underway. At present, the company looks to update its plans.

Investors can bet that with today's higher gold prices combined with lower operating costs, Mr. Sheriff will bring a new and updated PEA with dramatically

improved economics.

Everyone knows the saying, "Where there is smoke, there is fire." It has a lot of traction in exploration geology, too.

## 3 Aces is ready to erupt

If the saying is true, an inferno is just about to erupt at the company's 3 Aces exploration project in the Yukon.

The 225-square-kilometre 3 Aces project, with district-scale potential, is a newly emerging orogenic gold district in southeastern Yukon.

For the layman, orogenic gold districts have typically yielded millions of ounces of gold and include the legendary California Mother Lode, so 3 Aces is the right kind of geological formation in which to discover free gold in quartz with low amounts of sulphides. This is a combination that has a tendency to mine well.

In 2015, 3 Aces reported abso-

lutely stellar results from an exploration drilling program that included high-grade gold in every hole, most notably an astounding 4.64 ounces of gold per tonne of ore over 7.5 feet which it encountered from surface.

The company has embarked on a significant exploration program for the second half of 2016.

Golden Predator recently reported it has since discovered 11 similar type veins, five of which showed visible gold.

It will begin exploring these veins and other high-priority targets with a 3,500-metre drill program commencing sometime in early October 2016.

The result could be a very large discovery of very high-grade gold within the world's most desirable country to mine, Canada. To have the right geology, multiple veins with visible gold, and significant past exploration success is a very rare occurrence; the opportunity at 3 Aces is excellent.

Boasting a strong treasury of \$13 million and a tight float with 74 million shares outstanding, Golden Predator is positioned for future success.

And if Brewery Creek is a company builder, by comparison, 3 Aces is a company maker with district-scale potential.

Considering the two prodigious projects it has underway, it should come as little surprise that Golden Predator has attracted an investor roster of such calibre.

Shareholders can bet on Golden Predator with greater confidence given the quality of the company they'd be keeping.

Buying into this company will be an easy decision for those who believe in not only gold but in the quality of people.

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