



Broker's Picks

by Payton Nyquvest

GT Gold and ABN plan to aggressively expand new discoveries

Less than a year ago GT Gold [GTT-TSXV] made a major new gold discovery at its Saddle prospect just 10 km off Highway 37 in BC's Golden Triangle near the town of Iskut. Following that discovery, the company's stock price rocketed to a high of \$2.76 per share in September but since then settled back into a more moderate trading range between \$0.60 and \$0.80 per share.

The Saddle Project is GT Gold's flagship asset and it also happens to be in an area restricted to seasonal exploration. Since GTT does not have a secondary project in a milder climate, the company's news flow has been limited by its drilling season. I believe that is why we have seen a lackluster performance in GTT's stock over the six months.

GT Gold has earmarked \$6.4 million for an aggressive 18,000-metre drilling campaign slated to start this summer at the Saddle South and Saddle North Target. The company is currently trading at less than half of its 52-week high and I believe savvy investors are now presented with an excellent opportunity.

What really excites me is the fact that the last holes of its 2017 drilling program at the Saddle North target intersected a monzonite intrusive body that GT Gold believes looks very similar to the geology and mineralization of the nearby Red Chris deposit. Owned and operated by **Imperial Metals** [III-TSX], the Red Chris Mine is reported to have total open pit and block cave constrained measured and indicated resources of 1,034.7 million tonnes averaging 0.35% copper, 0.35 g/t gold and 1.14 g/t silver.

GT Gold has discovered a high-grade epithermal gold silver system at surface and close to infrastructure and power. This year, the company plans to continue

to expand and delineate that system as well as drill test the Red Chris potential at its Saddle North Zone. If a large Red Chris-like porphyry system is outlined next to the high-grade epithermal system I believe a major will not hesitate to buy the company.

One last point to make: GTT has about 92 million shares outstanding but over 25 million of those shares are currently escrowed, leaving effectively 66 million shares out. Much of this is tightly held by management and high-net-worth investors like Ross Beaty (9.3%). The actual float available to trade is significantly less. With major news, I believe this stock could trade substantially higher and very quickly, like it did last year.

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Aben Resources [ABN-TSXV] is also focusing on its flagship Forrest Kerr Project in the Golden Triangle. I like betting on good management teams, and when a company has successful players like Ron Netolitzky, Jim Pettit and Tim Termuende batting for them, I try to keep a close eye on what they have in their project bullpen.

The company recently closed a \$2.32 million non-brokered private placement financing and now has over \$3.5 million in its coffers, some of which it plans to spend on a drilling program at Forrest Kerr. Last year's successful drill program con-

cluded with a new discovery dubbed the North Boundary Zone. This season, Aben plans to aggressively drill that target. The Boundary Zone mineralization remains open in multiple directions with numerous geochemical anomalies and geophysical targets yet to be tested. The zone displays a high degree of continuity for gold, silver and copper mineralization. Last year's high-grade drill results include 21.5 g/t gold, 28.5 g/t silver and 3.1% copper over 6 metres as well as 6.7 g/t gold and 0.9% copper.

I believe that Aben has a good chance to see continued success with the drill bit this season and results could reward the sharp investor, especially with a current market capitalization of around \$10 million. ■

Payton Nyquvest is an Investment Advisor with Mackie Research Capital Corporation (MRCC). This article was prepared, in part, under contract by Thomas Schuster. The opinions, estimates and projections herein are those of the author and may not reflect that of MRCC. The information and opinions contained herein have been compiled and derived from sources believed to be reliable, but no representation or warranty, expressed or implied, is made as to their accuracy or completeness. The issuer(s) mentioned in this article may not be suitable for all investors. Please consult an investment professional for advice regarding your particular circumstance. Neither the author nor MRCC accepts liability whatsoever for any loss arising from any use of this article or its contents. Information may be available to MRCC which is not reflected herein. This article is not to be construed as an offer to sell or a solicitation for an offer to buy any securities. The information contained in this article is not intended to constitute a research report. Payton Nyquvest is a beneficial owner of the companies highlighted in this article.