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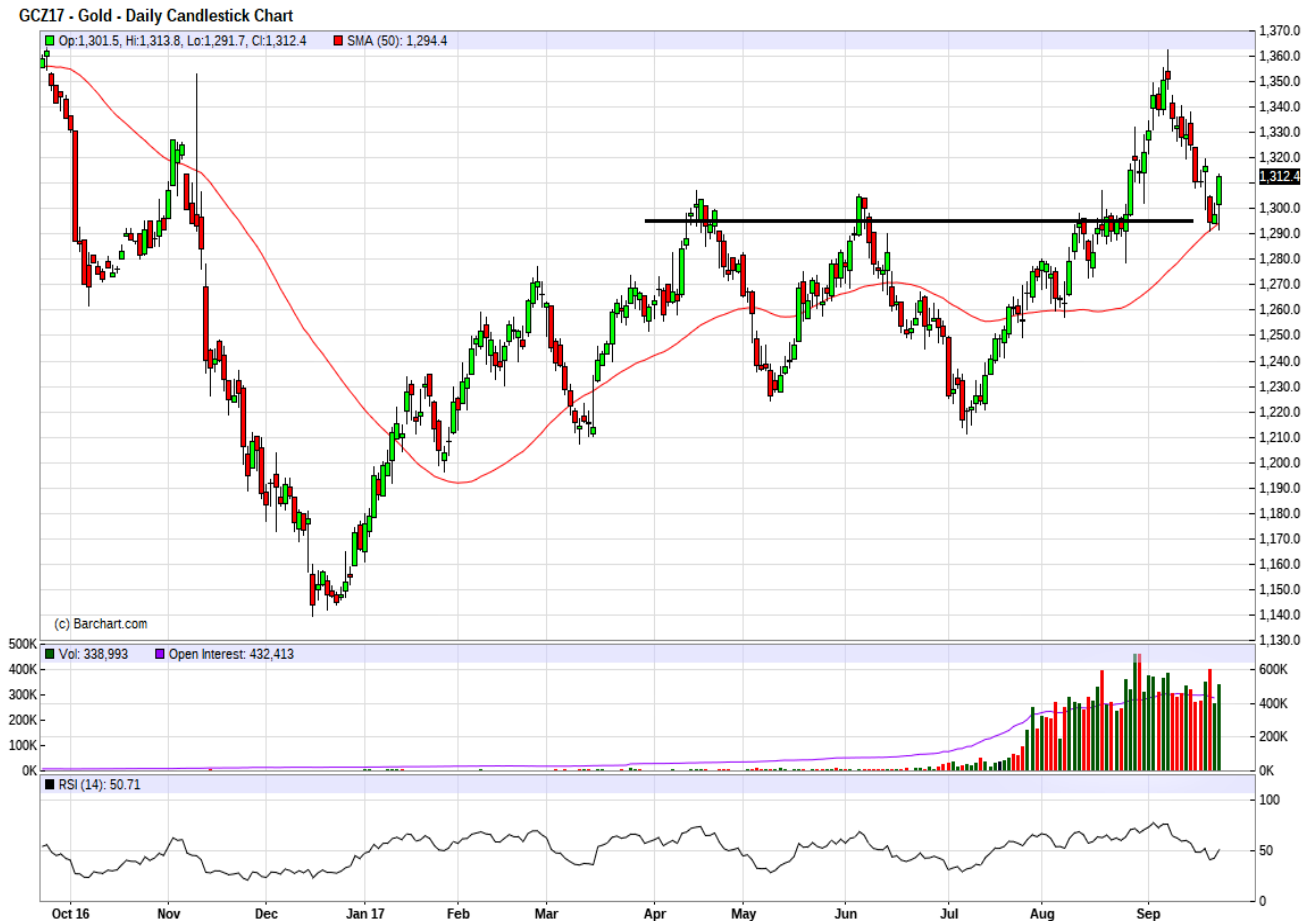
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Know when to hold-em!  
Know when to fold-em!  
Know where to set stops!  
Know when to run!  
Never count your portfolio  
Until the sells are done..

I am doing a new piece on the Yukon, 'Yukon Discovery of the Year', but waiting on results from Zonte and a couple other Yukon juniors, in other words the jury is still out.

I also have an update on graphite with a new pick later this week and next week a new lithium pick. For now some good news on ZON we have all been waiting for, but first a quick look at Gold.

I would have liked to see mild support around \$1320 hold but most important is strong support around \$1300 held today and Gold bounced higher off that support. We should see a retest of \$1360 area again. What could be a **very strong signal, is massive short covering in the Gold stocks** like I have never seen before. This is just on the Canadian side, I am waiting for US data and if confirmed it could be a signal that big money sees a huge rally on the horizon. I will send out the Gold Stock short Barometer ASAP.



**Zonte Metals** TSXV:ZON OTC:EREFF  
Entry Price - \$0.15

Recent Price \$0.32  
Opinion – strong buy

It has been a while since news on ZON so people are anxious to hear some. However, there is very good news in the [Sept. 22, 2017 Financial Statements](#) and [MD&A](#) as of July 31, 2017. As well, individuals should view the [September 25, 2017 two page fact sheet](#) and updated [21 slide presentation](#) on the web site.

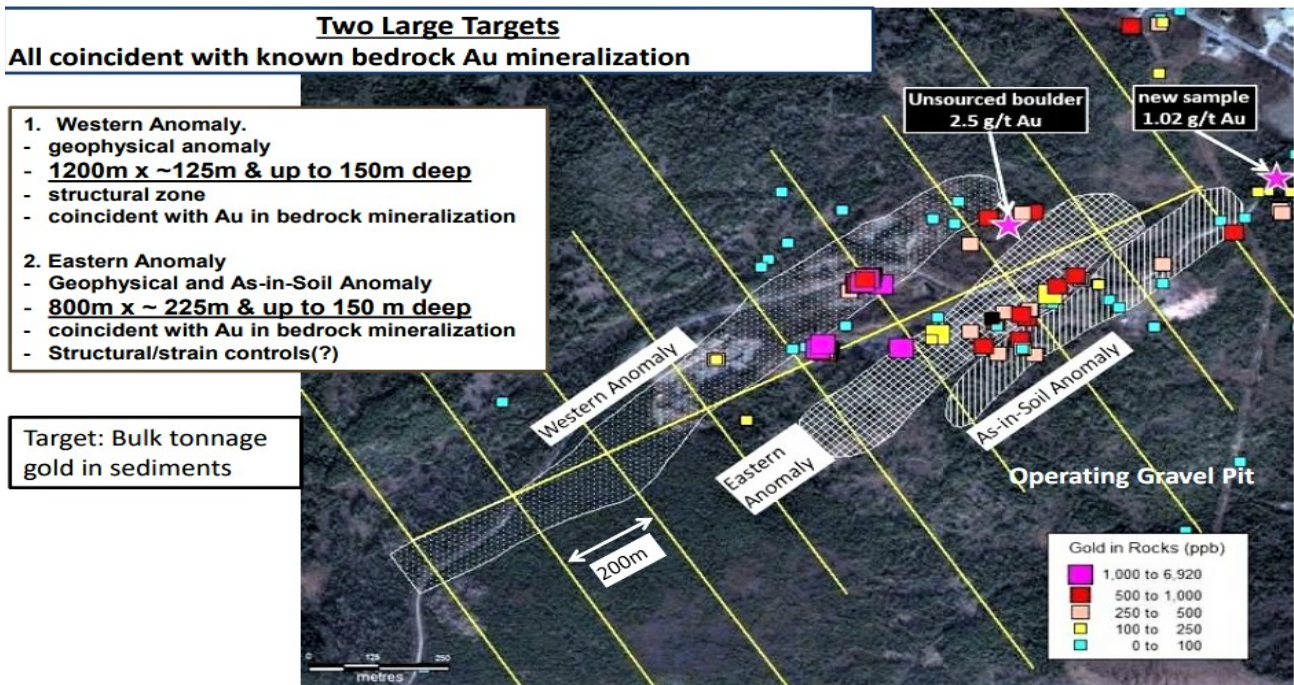
Financials end of July show about \$1 million cash & the fact sheet shows \$730k, which includes about \$200k in exercised options/warrants. Terry Christopher, BSc. Geology, Ph.D. Geochemistry (TC) did an outstanding job managing the McConnells Jest summer drilling program. Management is still deferring their salary, which indicates TC must be confident where the share price is going and is cautiously managing the treasury.

How many CEOs do you know who raise \$1 million and still don't withdraw a salary? Plus, the company is preserving capital as TC does much of the field work. He led the Yukon team and was there from mid May to the end of August except for one 2 week break to plan the drilling program.

The MD&A stated they have applied for the necessary permits and considering completing an initial drill program on the Wings project in NFLD over the coming months. Permits should be granted shortly and I anticipate a drilling announcement soon. **The NFLD program can be funded out of the current treasury!!**

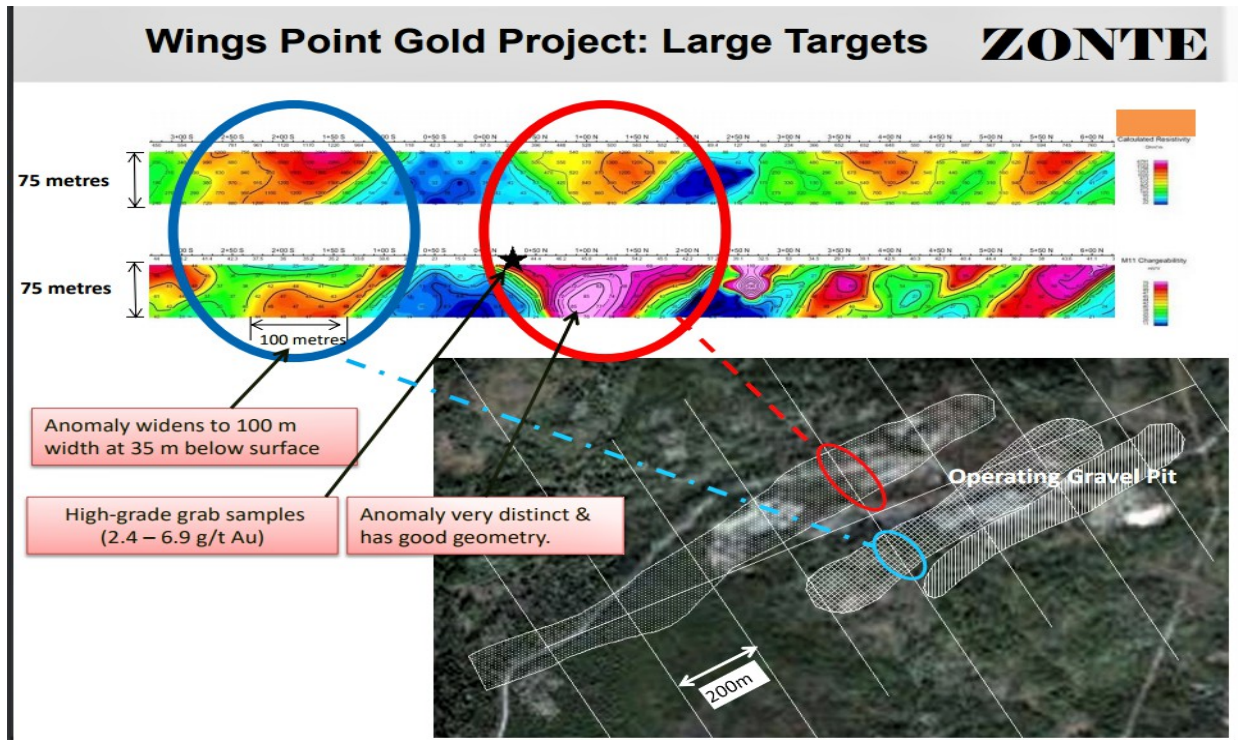
As a refresher, this is a drill ready target and has road access. Wings Point will be easier and less expensive to drill compared to the Yukon. This will also provide news flow and drill results in the coming months while the other Yukon explorers close shop for the winter. Below are two slides on the Wings Point project from [the 21 slide presentation](#). The first one shows surface samples relating to the anomalies with most running over 1/4 g/t and some over 1 g/t with the best being 6.92 g/t Gold. The operating gravel pit is adjacent to the anomalies and provides road access. This is also the gravel pit where the owner assayed samples positive for Gold and were not on the anomalies, so a positive sign Gold can also be found at depth.

## Wings Point Gold Project: Large Targets **ZONTE**

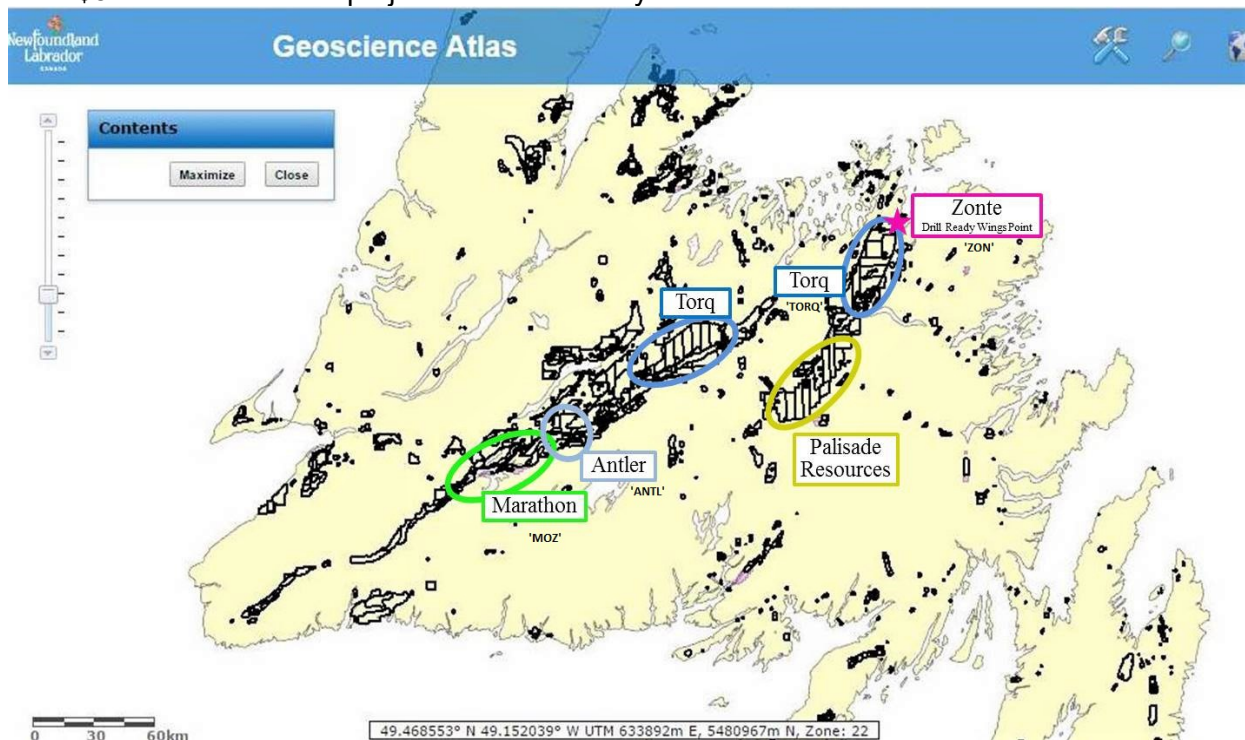




The IP surveys have picked up the anomalies very well so that is a good indication that the Gold mineralization on surface continues at depth. This looks to be about 1.7 kms long and appears to widen at depth. This was the only asset of the corporation for the first few years of operations.



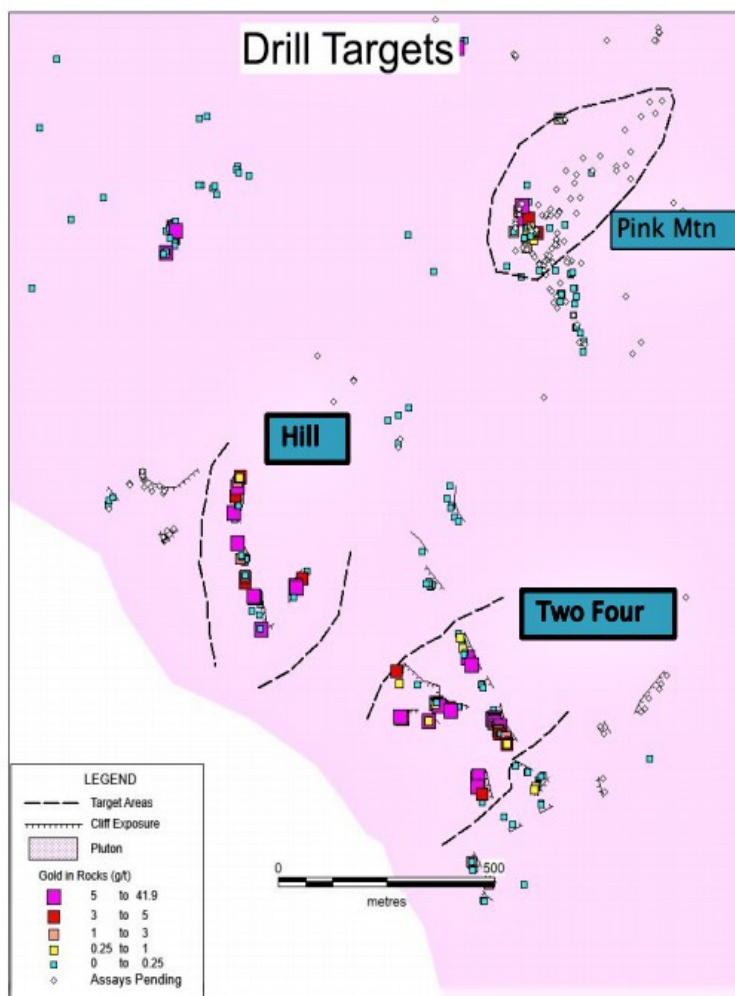
I am also squeezing in this map. When Shawn Ryan left the Yukon for NFLD, he went with [TORQ](#) that staked right up to the Wings boundary. Very interesting, [last week TORQ announced 6 gold-in-till anomalies over 25 kms on their Gander project, this is the one that butts up against Wings](#). TORQ Resources market cap is about \$52 million and their project is not drill ready.



I am very excited after all these years to finally see drilling at Wings. It probably counts more for me than the Yukon, just because it has been so long coming. That said TC did a lot of updating on the Yukon portion of the presentation so it **looks like he is gearing up for the drill results**. I am going to use a couple slides from the presentation on McConnells Jest as well.

This is a slide of the recent targets that were drilled, two holes each in the Hill and Two-Four zone and one on Pink Mountain. I noted from the last presentation there are **many more high grade samples mapped** (pink & red squares). Maybe harder to pick up on this picture but I counted about 18 over 5 grams on the presentation slide. The blank triangles are assays pending and looks to be about 70 of those.

The Hill and Two-Four show a pretty solid string of high grade samples on surface. I also wanted to mention that TC told me he planned 100 meter holes and would go deeper depending how the drill core looked. **I noted all the holes went over 100 meters and at least one to 250 meters, quite a deep hole.**



- 5 holes with depths 150 – 250 m.
- Two holes on the Hill
- Two holes on the Two-Four
- One hole on Pink Mountain.

The Hill and Two-Four are on the edge of the Pluton and this is where you find higher grade in these systems so makes sense to see a lot of higher grade samples.

The other thing that stands out is Pink Mtn with much higher density of Gold samples even though some are lower grade. This is more in the center of the system and there are a lot of outstanding samples on these veins as well.



This is a new slide in the presentation but the importance is the high density of fractures and veining. It is very good they did a nice close up picture and it is easy to see that fractures and veins that are running just several inches apart. I have never seen anything like this **as it indicates the historical mineral event or events that deposited the Gold must have been very intense to fracture all this rock.**

ZON was able to take samples on this face and on the top and is part of the reason you see the high density of Gold samples in the previous slide.

## **Pink Mountain: Fracture density ZONTE**



**Zonte only drilled one hole on this and it is easy to see why. Imagine you have the drill rig on top to the right and drill down on an angle to the left. You are going to cut straight through all that Gold veining. To me, one could simply not miss, it will only be a question of what the average grade and lengths are.**

In Colombia, Zonte continues to pursue its legal rights to acquire claims among AngloGold Ashanti's (NYSE:AU) and B2Gold's (TSX:BTO, NYSE:BTG) Gramalote deposit. I am looking forward to Anglo's and B2Gold's next quarterly filings where I believe they must reveal the Colombia court has ordered a work stoppage on these disputed claims.

In summary, Zonte Metals is a Mineral exploration company engaged in locating and acquiring high quality projects and exploring for Gold. Currently Zonte has three major assets diversified by Geological regions, Yukon, NFLD and Colombia with news expected soon on all three.

The stock is still very cheap with a market cap of \$13.6 million which **is much less than all of the other Yukon Explorers. It is also less than all the NFLD explorers.** For those readers who already have holdings I would not be shy to add to positions and for those who have been waiting for results don't be shy to start a part position now. I don't expect the stock to remain here long as I anticipate news on all three fronts.

I believe the market has misinterpreted the lack of news with the careful/frugal thoroughness and high standards that TC abides by in running a junior exploration company. For those who can see this, the low share price represents an unusual opportunity. On the chart, it still shows heavy accumulation with OBV hitting 6 million in Sept. The stock ran up early in the year, consolidated and pulled back some with the 'sell in May' rhetoric and has since consolidated again. It is not going to stay here and I expect will soon break out, and most likely to the upside with all the positive news flow. I see downside risk to low 20s and upside off the chart.





**Garibaldi**  
Entry Price

**TSXV:GGI**  
\$0.21

**OTC:GGIFF**  
Opinion – take more profits

**Recent Price \$1.81**

I last updated GGI on Sept. 11<sup>th</sup> to take 1/3 profits around \$1.25. Yesterday the stock hit new highs at \$1.81 and I would sell another 1/3 of positions.

There has been no news since my last update and the stock has moved up on hype (visuals of a drill core) and is already pricing in a substantial discovery. The current number of shares outstanding is about 86 million, plus all options and warrants are well in the money. At \$1.81 this is a market cap of \$155 million so a very substantial discover is already priced in.

Drill hole EL -17 – 01 intersected two long intervals of nickel-copper sulphide mineralization totalling 176 metres and consisting of pyrrhotite-pentlanditechalcopyrite in the first drill hole of GGI's E&L project at Nickel Mountain near Eskay Creek.

I like Garibaldi and this project and CEO Steve Regoci who I have met numerous times. I believe they will have a discovery but it is already priced into the stock and probably more. It is valued higher than most in the Yukon and the B.C. Golden triangle. It is sort of opposite Zonte and is probably a buy on rumor - sell on news scenario. I believe later this year or in winter freeze up we will be able to buy back positions cheaper and with the knowledge of what the first drill round produces.



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