



[rhstruthers@gmail.com](mailto:rhstruthers@gmail.com)

519-374-9332

Yearly subscription US\$249

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..

Will have a write up on a new pick under a nickle on Tuesday just the finishing touches to do, but I had to get this quick as I could update out on Zonte.

**We could not get a better ruling by the Special Court. The judge has suspended AngloGold's claim application and will force them to go to court to dispute/settle with Zonte.**

**Zonte Metals**  
**Entry Price \$0.15**

**TSXV:ZON**

**Recent Price \$0.31**

**Opinion – strong buy**

Zonte put out a press release today and this is the key paragraph.

*“The Company made the above noted application on July 2, 2013. Gramalote Colombia Limited (AngloGold Ashanti and B2Gold) also made an application (application number QHQ-16081) over the area on or about August 26, 2015. In theory and according the mining code in Colombia, applications are processed on a first in first out basis. Despite this, the Secretary of Mines was processing Gramalote Colombia Limited's application even though the Company's application was still active. Now that the Company's case has been filed in the Special court, **Gramalote Colombia Limited's application QHQ-16081, has now been suspended by resolutions issued from the Consejo de Estado (“Special Court”) and Gobernación del Departamento de Antioquia (Government of Antioquia) until the outcome of the Company's Special Court legal proceedings. Until the conclusion of the Company's case it is our understanding that no development can happen over the contested area.**”*

**This means that Anglo's application is suspended and they will be forced to deal with Zonte, either in court or settle out of court.**

This is from Anglo's Q1 2017 [Exploration update as of March 31, 2017](#)

“In **Colombia**, the Gramalote JV completed 1,521m of drilling to support site and infrastructure investigations as well as in the regional JV exploration drilling programme.”

So Anglo has been moving this project forward and it is my understanding with discussions at Zonte that not only are some disputed claims over the planned open pit but also where Anglo is planning to build the Mill and processing facility.

I believe this is a material development for Anglo and B2Gold and they will have to disclose it. If they do not do so soon, maybe start filing complaints with the SEC.

I also believe it would be foolish for Anglo to go to court as from my understanding of the mining law, they would lose. Anglo filed their application for the claims August 2015, a full 2 years after Zonte, so they really acknowledged the claims were open by doing so and admitting their earlier mistake.

**If Anglo is clever, they could use this as leverage to buy out B2Gold's 49% interest at a cheaper price and B2Gold has made it public they would like to sell their interest. At the same time make a settlement with Zonte.**

**There is no way B2Gold can deal their interest until Zonte is settled.**

Interesting when I looked at B2Gold's website, there is not much info on [the Gramalote page](#) and says it is being updated????

This is a link to my December 2015 article where I dug up all the info on a previous settlement for fractional claims that Galway Resources had over the Ventana Gold discovery.

**[Struthers Update V21 # 15.8 Colombia precedent for Zonte ZON Dec 2 2015](#)**

Ventana's **La Bodega project, had a total inferred resource of 3.5 million gold ounces, 19.2 million silver ounces, and 84.6 million pounds of copper.** The resource was based on 341 holes totaling over 126,000 metres of drilling.

B2Gold puts their 49% share of Gold ounces at Gramalote: 1,498,000 M&I with 1,841,000 inferred so a total of 3,339,000 ounces Gold and since they own just less than half the total at Gramlote would be about 6,680,000 ounces, **almost double the size of Ventana's La Bodega.**

**Galway settled their fraction claims for \$300 million with AUX Canada that bought out Ventana.**

What Zonte has at Gramalote is probably more than what Galway had at La Bodega.

The market was better when Galway settled in December 2012 with Gold around \$1,700, but it is better now than when I did my comparison to Galway in December 2015, about market bottom.

I believe it is very reasonable and conservative that Zonte could settle with Anglo between \$50 and \$100 million. This would add \$1 to \$2 to the share valuation, pick your number.

Legal issues can be drawn out, but we have already endured waiting almost 3 years and we are in the later half time frame of this being resolved. There is no telling how much longer this will take, but it would not be unreasonable to see a resolution here within a year.

**Buying this stock anywhere under 50 cents is a steal in the longer term based on Colombia, but we will probably see higher valuations sooner as drilling will soon start at Jest in the Yukon.**

On another not it looks like shorts have covered and any selling of the 10 cent placement paper is mostly done. Christopher is headed back to Jest in Yukon and we can expect more exploration news there in the near term.

<http://www.zontemetals.com>

(c) Copyright 2017, Struther's Resource Stock Report

All forecasts and recommendations are based on opinion. Markets change direction with consensus beliefs, which may change at any time and without notice. The author/publisher of this publication has taken every precaution to provide the most accurate information possible. The information & data were obtained from sources believed to be reliable, but because the information & data source are beyond the author's control, no representation or guarantee is made that it is complete or accurate. The reader accepts information on the condition that errors or omissions shall not be made the basis for any claim, demand or cause for action. Because of the ever-changing nature of information & statistics the author/publisher strongly encourages the reader to communicate directly with the company and/or with their personal investment adviser to obtain up to date information. Past results are not necessarily indicative of future results. Any statements non-factual in nature constitute only current opinions, which are subject to change. The author/publisher may or may not have a position in the securities and/or options relating thereto, & may make purchases and/or sales of these securities relating thereto from time to time in the open market or otherwise. Neither the information, nor opinions expressed, shall be construed as a solicitation to buy or sell any stock, futures or options contract *mentioned herein. The author/publisher of this letter is not a qualified financial adviser & is not acting as such in this publication.*