



Broker's Picks

by Payton Nyquvest

FireFox Gold – Ripe for discovery

Newly-listed FireFox Gold Corp. [FFOX-TSXV] has spent the last couple of years assembling an impressive 1,300 km² portfolio of highly prospective exploration ground in the Central Lapland Greenstone Belt (CLGB) in northern Finland. The country was ranked as the #1 jurisdiction in the world for mining investment attractiveness for 2017 by the Fraser Institute. The company is now aggressively exploring its top priority gold targets.

So, how does this company differ from the myriad of other exploration stories in the market today? What caught my attention first was that only a small handful of exploration companies control the entire Central Lapland Greenstone Belt. On its own, that's not particularly impressive, but when you couple that with the fact that, so far, only 9.1 million ounces of gold resources has been discovered in the entire greenstone belt, the story becomes significantly more compelling.

When you compare similar sized greenstone belts in the world, like the Abitibi belt in eastern Canada or the Norseman-Wiluna belt in Western Australia, the discrepancy in gold endowment is substantial. The Abitibi currently hosts 83.6 million ounces in gold resources in 39 gold deposits. The Norseman-Wiluna hosts 74.7 million ounces of gold resources in 44 gold deposits.

Why the discrepancy? Geologically, the greenstone belts are very similar and experts also say there is no reason why the CLGB shouldn't host comparable gold resources. The region also has extraordinary infrastructure and excellent road access (unlike some more remote greenstone belts). The main difference is that the CLGB has had much less exploration over a

significantly shorter time frame.

So what does this boil down to? While a handful of companies control an under-explored greenstone belt that should host a lot more gold than has been found to date, this does not guarantee that a discovery will be made in the near future, but statistically speaking, it does improve the overall odds.

FireFox Gold has not only acquired a commanding land position, but it has also attracted a well-respected advisory team that includes Dr. Petri Peltonen (Exploration Manager for FireFox) who is also a Professor of Economic Geology at the University of Helsinki, Dr. Richard Goldfarb, a leading specialist in orogenic gold deposits and Dr. Alf Bjorklund, a former chief geochemist for the Geological Survey of Finland. This is backed up by a very capable management team consisting of experienced North American and Finnish mining professionals.

Most of the news from Finland has been focused on a recent discovery made by Aurion Resources on its Risti Project in the same greenstone belt. One of their highest-grade drill intercepts assayed 789.0 g/t gold over 2.9 metres. Aurion is now drilling to determine the size and average grade of this target and it just underscores the tremendous potential of this greenstone belt. Aurion currently has a market capitalization of \$66.4 million.

With 29.4 million shares outstanding and a market capitalization of just \$8.5 million, FireFox Gold is now planning to aggressively drill key targets on its Mustajärvi, Jeesiö and Seuru projects. These targets are known to contain anomalous pathfinder minerals as well as high-grade gold (up to 140 g/t at Mustajarvi) along with co-incident geo-

physical anomalies and associated fault or shear structures.

A 2015 Finnish study on the gold potential of the CLGB has even suggested that there could be as much as 30 times the currently known gold resources. That certainly makes the region ripe for at least one new gold discovery. I believe that methodical and systematic exploration by experienced geological teams such as FireFox Gold, will undoubtedly lead the way. ■

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.

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