Natural Resources Edition - Vol VIII

September 26, 2021

Once upon a time (someone suggested I should start with that) as it seems I write stories… oddly enough when I did my father's eulogy 5 years ago, I said that I was born to be a "story teller", I guess I was not that far off, just ask me about my CP Railway days!

Onto the next… In the last "The Bridge" (July 2021) we highlighted Sweden and in particular DMX. Their story remains intact but the stock has completely collapsed, yet the drill results were very good. Soon the fall winter drill program will resume, and money is the concern. With a $4M treasury enough for this year, but what happens next… better Ag markets we're hoping for.

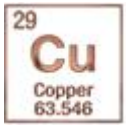
Yukon, the mind always goes back to the days of your, or ore. For me, it brings me to many things but at the top of the list is what I would classify as the book of the week, but it takes two to read it. Pierre Burton's "KLONDIKE", The Last Great Gold Rush 1896-1899. Who will author the next book Part II? Here are some interesting facts about what is our, Canada's great white north. Some of what makes why geology is so important, the highest mountains in Canada are in the Yukon, St Elias Icefields is the second largest non-polar ice fields in the WORLD, Mt Logan, is the WORLD'S largest non-volcanic mountain and the second highest peak as well! It is also the home of the world's smallest desert, the Carcross Desert.

See, this is all about geology, but take the time to google search these images. This rugged landscape of vast and pristine is not just a destination worth the visit but superlatives would be without exaggerating. Most of the wild life can be seen at the Calgary Zoo, but the landscape, never. The Yukon is 483,450 km2, which is the size of Spain and three times bigger than England.

As a lead into to one of the stories I follow and have for 5 years plus (for disclosure purpose I hold a position and am not paid consultant). Canada's newest operational gold mine is in the Yukon, **Victoria Gold Corps, Eagle Gold Mine VGCX:TSX**.

Triumph Gold Corp | TIG:TSX - $28M market cap +/- is situated in the Yukon on the Big Creek Fault and they are not alone. Newmont (NYSE: NEM), one of the largest mining companies in the world, have the largest GOLD reserve base in the industry underpinned by their world-class ore bodies in Top Tier Jurisdictions. They also happened to be TIG's largest shareholder today! Their Coffee deposit, was originally owned by Goldcorp who intern paid $520M for that ground (food for thought). Triumph's property is accessible by paved highway, in fact pavement ends at theirs vs Newmont's and Western Copper's Casino mine. Western just completed and put it's PEA and to say this is an understatement in the world of geology and mining companies it's very big. Triumph just completed its 2021 drill program, this program should be enlarging what they have, which is 70 years of data, a lot of desktop engineering and a continuation of putting all the scientific data together. Most know I use this phrase a lot, in mining "It's a Long Game". Best

described as the length it takes to get a drug approved by the FDA and all 4 phases of Clinical Trials, except COVID Drugs. The Yukon has been their focus and will continue to be, but with copper almost on everyone's mind as the world goes electric, they continue to look to Cu metals and ground around the world that can provide such. In talking with the company, they fully intend on looking towards generative projects, the team of in house geologists are well seasoned in all facets of Au/Cu development stage projects. So please do your own DD, but this may be a strong "LONG" bet. Of recent, they just announced a new President and were waiting on drill assays, and more news to follow.



Candente Copper Corp. | DNT:TSX - They awarded the contract for the PEA on Sept 8th for the Canariaco Norte Copper Project in Peru, to Ausenco Engineering, well respected and 12 weeks for completion. This will allow us to know 1) more about the project, 2) what it will cost to finance the next phase and 3) the timeline. A great start, they also completed an additional $1M raise of which Fortescue participated. I think the market believes that it's a matter of time before they take them out, could be the reluctance of many to take big positions. But there is no disputing there is a lot of ore in the ground, 752.4 million tonnes grading 0.45% copper, 0.07 g/t gold and 1.9 g/t silver (0.52% Cu equivalent) containing 7.533 billion pounds of copper, 1.7 million ounces of gold and 45.2 million ounces of silver. In addition, the deposit contains 157.7 million tonnes of Inferred Resources containing 1.434 billion pounds of copper. They have commenced exploration in Canyon Creek, NW BC, winter is almost here along with tonnes of snow, not metal.

Copper Mountain Mining | CMMC:TSX - The numbers continue to pile up… and up, "Q2 "Achieves Record Operating CASH FLOW & Increases Production Guidance". They continue to advance what is already the #3 producer of Cu in Canada by commissioning of Ball Mill #3, expanding the project in Princeton B.C. all this and they continue to drill, now with two and soon four, 37 year mine life. The question is how long before its B.C.'s #1 producer, it's not the Ball Mill that Teck and Barrick have their eyes on… I believe 2022/23 will be a major consolidation within this industry, there is far too much to leave behind here!

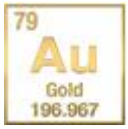
Sombrero Resources Inc. | Private - After having a very lengthy conversation with the company, it's become clearer to me, that the team behind this and all former AUG companies are in the category of, "They Know What They are Doing". Full Stop, in saying that, I am convinced there is an aggressive effort being made to get Sombrero trading this year however it is not in the company's control. Why? It sounds like although everything is advancing in the discussions with the communities and they are in the very mature stages of acquiring access there are community specific events that have impacted timelines which do not have anything to do with Sombrero. Once they get community access put behind them they will be in a far better position to guide us through the listing date. Suffice to say we're close, so if they get everything completed by end of October and we could go out as quick as 30-40 days, my vote is why go public at Christmas, it serves no one's purpose, in my humble opinion… so let's advance the clock to 2022, better markets and better timed. That and this group is busy with Fury, Tier One and Torq…

Tier One Silver Inc | TSLV:TSX.v - To date we have some encouraging news, Hole #1 has been released and they have encountered mineralization parallel to the feeder system at Curibaya. I believe the market was

waiting for something bigger on the first hole, however when talking to geologist(s) that are independent of the company, they are encouraged and clearly somethings there. The market has an expectation of something much much larger, but it does take time and it won't be on the first 5 holes. But I do believe within this first 5, there will be some very encouraging news. This is a maiden drill program being drilled where it's never been drilled before in a pretty, say it, a shitty market. The have sampled a very, very high grade foot print at Curibaya and continue to expand and identify vein systems on the property. I say, keep looking boys, it's there, we just need time, which clearly by the selloff, some of us don't have.

Ivan, in two podcasts now has referred to hole #4, the cores are very encouraging, but the assays will be the truth slayer, suggested now, we could see results closer to the end of the month and or into early October. Newmont's the second largest shareholder and they also like what they see, what exactly does that mean? Clearly, they are seeing core(s), approve of what the exploration team is doing and remember, they have been in Peru for 40 years and hold 11,000,000 shares.

District Metals Corp | DMX:TSX.v - I made my comments on my opening salvo, Garrets leaving for EU soon as the next phase of drilling commences. They have capital for this program, market concerns are simply stated, we just need a better market. This is going to be a longer play to a significant pay day, the first part of the program was nothing less than very good, and yet the market sold off. There is a lack of understanding on a polymetallic play, where silver is the dominate metal, but with all the other credits they will get in time, it's like Garpenberg a potential monster, with excellent team on the ground and a highly supportive community for mining.



Barrick Gold Corp | ABX:TSX - If you're inclined to buy a large cap and Canadas largest Gold producer then this one's for you. The tech chart is saying "BUY" as it bounces of the bottom @32 RSI March, June & Aug 2021 it did the hop skip and a "BOUNCE" even for the non tech trader this will yield a few dollars. Christmas is coming, buy your wife some pearls.

In brief **Osisko Mining Inc OSK:TSX** is a screaming buy down here, but it's a 12-18 month hold for all the prior reasons on The Bridge. 2023 will be the year to start accumulating heading into the 2024 stated "In to Production Year" and a more than likely a take-over. It's the "did it once, do it again" model.

Torq Resources Inc. TORQ:TSX.v - Some fairly "BIG" news is on its way in early October, a potential large vend in, as Shawn has stated in a few podcasts… it's delivery time. Will this sand wedge stick to the green? My bet is yes, and possibly an 18 inch putt left for the birdie. This has been a long Par 5… Chile is not chilly…

Kenorland Minerals Ltd KLD:TSX.v - Well, now after a lengthy buy and hold, this team has done some pretty incredible things. Thousands of meters of drilling in PQ and Alaska, lots of till and soil sampling and even doing a deal with Barrick in Ontario. Probably their best achievement to date from a negotiating position, yes I said Barrick. Sumatomo in Quebec, Barrick in Ontario and the hint, wink and nod that something $ig is coming. This team, may be quietly becoming the best generative project junior out there. They are young, thorough and have some major miners in their corner pocket. If one was to step up and do a large financing, they may become the envy on the street. This is a "BUY & HOLD", patience on this and tucked away should yield a financial return, great share structure and great shareholder base. Worth a deep dive…

Fury Gold Mines Limited FURY:TSX - This one has been hugely beat up. With a P/P just announced, it's my understanding that it was done with purpose and some excellent stakeholders that participated, the type that DO NOT SELL STOCK. I am hoping, that Homestake will be sold, the value of this would yield millions of dollars to the bank role ($40M plus) the PEA says $110M USD. We are anxious on what assays will yield in Committee Bay, hearing some wonderful things around big VG. Eau Clair will be (Snake Lake) when assays show us the hidden value in PQ. And the "WILD CARD" is the Eleanor JV (with Newmont) Fury's second largest stake holder… and Fury is the operator, what are our options here? Sell the 37.5% stake to Newmont (worth millions) or drill right next to their largest Canadian Producer make a discovery and sell it to them for MILLIONS MORE! As many have heard me say, these guys know what they are doing, and have a shareholder registry to not just prove it, get and garner great advice, everything is done here with purpose, not to mention a quick clean of the house, welcome Tim Clark! Hey, this strategy at the JV increases Newmont's share value as well, remember, I said everything done with purpose!

Triumph Gold Corp TIG:TSX.v - We are waiting on lab results, for this 2021 season, small drill program but done with purpose, it's going to take lab results and a winter of more desk top engineering to determine if Nucleus and Revenue are all one structure. Just announcing a new President Brian May PGeo, re-establishing them with a great geological (youthful) team, their intended goal is to become a project generator, what secrets are to be unfolded in 2021/22. This is an advanced stage junior (with (3) NI 43 101's) in tow, often times investors over look something, low grade and huge tonnage makes a mine, look north to Victoria Gold and their Eagle mine… Canada's newest operating gold mine! Clarity is everything.

Golden Ridge Resources | GLDN:TSX.v - They have been in the field all summer and drilling commences in October, next month, we will be highlighting Newfoundland and Labrador, stay tuned Eric Sprott, doubled down here with $3M! I think he has invested in every public company in that province and territory… "NEWSPROTTLAND".

Colonial Coal International Corporation | CAD:TSX.v - Ah ha, who got caught off guard on this one? It's been my #1 pick since I started "The Bridge" and I am certain most have picked up on that. I've spent hours understanding this deal, the management and their successes from the past that only build up on the future opportunities. With a PEA of 700M m/t of Coke Coal in the ground in a coal mining friendly province (unlike our neighbours to the east) and Billions of dollars on ground and ocean of infrastructure. Here is the coal Port that services Tumbler Ridge, https://www.rti.ca. The black on the ground is green to a steel maker in Korea, Japan, China and East Asia. If you look closely, that port and the steel tracks to eastern part of B.C. are the billions of dollars spent using the BRIC (British Columbia Resource Investment Corporation) share's money. The British Columbia Resources Investment Corporation, or BCRIC (pronounced "brick") was a holding company formed under the government of William R. Bennett. The company took over ownership of various sawmills and mines that had been bought and bailed out by the government. The name was eventually changed to Westar Group Ltd.

There are many elements to this deal to understand, those that do, will understand the value of CAD. Beyond our borders are steel manufactures that need coal, by a simple google search of the Top 100 Steel Producers in the world, they are almost with a few exceptions Asian or East Asia, China is the manufacturer of the world. Curious, the next time you go to Home Depot, Canadian Tire, The Brick, Lordco and places in between, read the small print on the box you are taking home, "CHINA" made in. It's taken months for the first event to take place. That is a soaring price for Met Coal from 5 weeks ago at $178. USD m/t to a

swelled $603. USD m/t, and it's not over. China tossed a bucket on the fire with little to zero effect, look at the appetite they have, high speed rail, just to mention one, Beijing to St Petersburg, and now talk of one from China to San Francisco. Did you just buy a washing machine or a micro wave, scratching the surface… https://thedeepdive.ca/iron-ore-and-metallurgical-coal-are-counterintuitively-moving-in-wildly-diverging-directions/

Here is real simple math, real simple. 700,000,000 m/t X $2.00 CDN per tonne = $1.4 Billion asset in the ground. Now if you take that number $1.4B and divide it by the shares outstanding you come to realize how undervalued CAD is. Everyone needs to do that math, and while you are remember this, (embed it in your mind) when CAD was trading at .80 CDN, the coal in the ground is worth .20 USD. If CAD were to double, like it did last week to say $1.60 CDN per share, coal in the ground is worth .40 USD. And coal right now is priced where? If you want to see another undervalued stock, pick TECK:NYSE. How so? All costs to FOB are $80 USD and coal is selling for $600 USD? The coal story is alive and well for the next 40 years and beyond, there is absolutely no way anytime soon someone building a bridge, a building or train tracks is going to gamble on a new unproven technology. Thermal Coal is gone the way of the dinosaur, Uranium is still years away but Coke Coal will be here until I am dead.

I guess and you will have to trust me on this, last week, my phone never stopped ringing. At 11 pm I finally shut it off! Brokers and institution fund managers calling me and saying "Am I chasing this, or what?" all I said was do the math… (.80 CDN Stock price = .20 USD in the ground). What are you chasing? You're buying an undervalued (way undervalued) deal. I have been privileged to make many introductions to this story to management in the last month. I've sat in every meeting, and I've yet to have someone say to me, this is rubbish… If Rick Rule is 75% accurate and he's not, he's 100% accurate in this space you bet on management first! David Austin was responsible for the #2 sale of a B.C. company in the last 27 years within British Columbia. WCC sold for $3.3 Billion, that speaks volumes, the entire World Book of Encyclopedia's 1973 edition, I have them for sale? And one final point, I've heard it all this week, even a lay comment from someone on CEO.ca. If this was what it is, why did the company not get bought out a year ago? Well, simply stated, David Austin, period! This is not his first rodeo, a global player with a global player on his board, you think they are not plugged in? They breath this, 24/7 it's not over, it's only getting bigger, please do your own DD.

FjP

"A port in a storm, we seek safe harbour"

fport@bridgeportcapital.ca
www.bridgeportcapital.ca

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