

Pacton Gold Inc.

12:10 17 Dec 2018

Pacton Gold joins gold rush in Australia's Pilbara region

The Pilbara region of northwestern Australia is known for its red soil, 3-billion-year-old granite formations and a 40,000-year-old Aboriginal population. The hot, arid expanse is regarded as the nation's "engine room," with a massive mining industry in iron ore, crude oil, natural gas and salt.

Now gold is being added to the list, and that's where Pacton Gold Inc (CVE:PAC) (OTCMKTS:PACXF) comes in. A series of acquisitions has made the Vancouver-based company the third-largest land holder in the Pilbara gold region, with more than 2,800 square kilometers, 20 exploration licenses and five mining leases. Pacton also has significant gold and uranium holdings in Canada.

Helping to pay for the Pilbara deals is a man with a golden touch: Canadian billionaire Eric Sprott. The company welcomed him in May as a significant investor after he bought a 10% stake for C\$2 million as part of a C\$5.5 million private placement deal originally valued at C\$4 million.

READ: Pacton Gold rallies on appointment of Johnathon Campbell as field logistics manager

Adding star wattage is Johnathon Campbell, who joined the company in December as field logistics manager. In the local geologist community, Campbell is credited with the 2016 discovery in Karratha, Australia, of "watermelon-seed" gold nuggets that started the Pilbara gold rush. He has worked in the mining industry for more than 18 years, with roles at companies including BHP Billiton PLC (NYSE:BBL), Newmont Mining Corp (NYSE:NEM) and AngloGold Ashanti (CVE:AGZ). Pacton joins Pacton's existing geological team in Western Australia.

"Securing the services of Johnathon will enhance Pacton's ability to execute its future exploration programs in the Pilbara," Interim President and CEO Alec Pismiris said in a statement. "Johnathon's considerable experience in the mining industry and his understanding of native title issues in the Pilbara will benefit Pacton significantly."

After the discoverer of gold in the Pilbara came the region's evangelist.

Dr Quinton Hennigh, CEO of mining company Novo Resources Corp (TSXV:NVO), has been tireless in promoting the Pilbara region's potential as a gold bonanza, advancing the idea that the watermelon-seed-shaped nuggets indicate extensive gold mineralization.

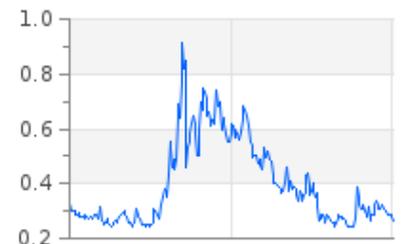
South Africa inspiration

Hennigh piqued Pacton's interest when he noted the Pilbara region's similarities to South Africa's Witwatersrand Basin, also known as the Wits, which holds the world's largest known gold reserves. That is a potential factor that Pacton and Novo hope will make money for their shareholders.

Price: C\$0.265

Market Cap: C\$26.78M

1 Year Share Price Graph



January 2018 July 2018 January 2019

Share Information

Code: PAC

Listing: TSX-V

52 week High Low
C\$1.02 C\$0.24

Sector: General Mining - Gold

Website: www.pactongold.com

Company Synopsis:

Pacton Gold Inc. (PAC :TSX-V) is a Canadian junior exploration company focused on acquiring, exploring and advancing mineral assets in key mining friendly locations globally.

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Pacton has some fresh faces on its executive team. In October, the company named Dale Ginn as executive chairman of the board. Ginn is a mining executive and geologist with nearly 30 years of experience and numerous gold and base-metal discoveries to his credit. He replaced Dominic Verdejo, who himself was previously the company's president and CEO. Pismiris recently succeeded Verdejo in that capacity on an interrim basis.

Pacton has been stepping up its presence in the Pilbara region through acquisitions. In November, Pacton signed a definitive deal with Clancy Exploration Ltd, an Australian company, to buy a 70% stake in the Hong Kong project. An Australian subsidiary of Pacton and Clancy plan to team up in a joint venture. The Hong Kong project is adjacent to Pacton's Friendly Creek and Golden Palms projects in the Egina gold area of the Pilbara fields.

The Egina area consists of an 8-kilometer-thick volcano sedimentary system that extends for about 10 kilometers. The Friendly Creek area is historically one of the richest known areas for eluvial nuggets in the Pilbara region, according to Pacton.

Friendly Creek nuggets

Pacton got a boost in October when it reported finding gold nuggets at six locations on Friendly Creek land.

With all those projects in mind, Pacton signed in October a strategic alliance partnership with Artemis Resources Ltd (OTCMKTS:ARTTF). Under the agreement, Pacton gains access to Artemis' Radio Hill processing plant, which is 30 kilometers from Karratha.

Pacton, meanwhile, is not only about Pilbara. The company also has significant gold operations at the Tully and Red Lake areas of Ontario and the Carpenter Lake uranium property in Saskatchewan.

Once the Hong Kong deal closes, the next step is to look for more properties to acquire in the Pilbara region. The company says a project scale review is underway across the entire portfolio to identify opportunities for near-term exploration and bulk sampling.

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