

Megumagold Corp.

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MegumaGold Corp aiming to be Nova Scotia's newest gold explorer

- A fresh approach to gold discovery in Nova Scotia
- Large land package
- Well financed to expand the resource potential

What MegumaGold Corp does:

MegumaGold Corp (CSE:NSAU) is pursuing a new approach to gold exploration in Nova Scotia, Canada, which already has a rich history of mining. Between 1862 and 1927 almost a million ounces of the precious metal were extracted from the province.

The company has put together a land package of over 107,000 hectares consisting of thousands of claims in this new emerging camp and is one of Nova Scotia's single largest mineral claim holders.

Previously, mining and exploration was focused on high-grade nuggety style quartz-hosted gold, which is comparatively expensive to extract but the firm is interested in exploiting the disseminated, widespread, mineralization which also characterizes the area.

This is exciting because it's simple to extract the gold via an open pit, while cheap processing methods can also be used.

Within its land package, MegumaGold holds the Killag project, the Dufferin gold project (218 claims), the Goldboro Isaacs Harbour claims (174 claims), the Mooseland area project (243 claims), the Greater Goldenville area (233 claims) and the Greater Beaverdam project (114 claims), the Fifteen Mile Stream regional project (177 claims), the Cochrane Hill regional project (556 claims), and the Moose River area project (282 claims).

The group aims to develop a "fingerprint" model for identifying new deposits and targets, and reckons it could have a district-scale opportunity.

Atlantic Gold Corp. was a first mover in the region. Its Touquoy gold mine began production last year and generated and sold around 90,000 ounces of the yellow metal in 2018 at the extremely low all-in-sustaining cost of C\$731 per ounce. Notably, the Torquoy mine lies near the extensive exploration ground of MegumaGold.

Formerly Canadian venture exchange-listed, Atlantic Gold was acquired by Australia's St Barbara Ltd. in July 2019 for a total of C\$722 million (\$536 million).

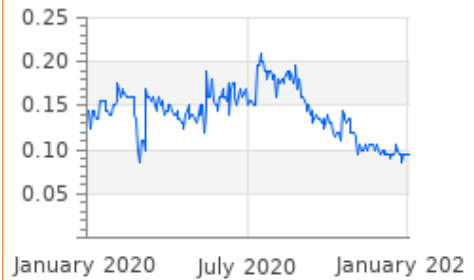
How is it doing:

MegumaGold kicked off 2020 by confirming it had discovered three main arsenic-gold targets at the Touquoy West property after it received all the soil sampling results from 2019. The project covers the southwest extension of the geological sequence that hosts St Barbara's producing Touquoy mine.

Price: 0.095

Market Cap: \$12.95 m

1 Year Share Price Graph



Share Information

Code: NSAU

Listing: CSE

52 week High Low
0.21 0.085

Sector: Materials

Website: www.megumagold.com

Company Synopsis:

MegumaGold Corp. , an exploration stage company, acquires, explores for, and develops natural resources properties primarily in the United States and Canada. It primarily holds a 100% interest in the White Caps gold project that includes 2,800 acres of patented and unpatented mining and mill site claims located in the Manhattan Mining District of Nevada. The company was formerly known as Coronet Metals Inc.

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These final assays from the 6,230-hectare property showed a third large target area, which lies along the interpreted trend that hosts the Touquoy deposit. It's on top of the two large geochemical anomalies, also found at the Moose River anticline, which plays host to the Touquoy mine, identified in 2019.

MegumaGold has acquired an additional 47 claims, totaling 761 hectares to the northeast of the Touquoy mine. It also has struck an option agreement with Genius Metals Inc (CSE:GENI) to acquire up to a 100% interest in six mineral exploration licences totaling 100 claims on 1,620 hectares directly adjoining its Touquoy West licences.

At the Killag project in Nova Scotia, which produced over 3,500 ounces of gold between 1869 and 1946 from an average grade of 0.96 ounce per ton. The company has launched a geological study at the site, expressing an interest in exploiting the disseminated, widespread mineralization present in the area. It believes there is "significant potential" for new gold discoveries.

Also in Nova Scotia, MegumaGold is in talks to acquire 100% of Osprey Gold Development Ltd (CVE:OS) in a deal which would create a leading precious metal explorer in the Canadian province. Osprey is focused mainly on advancing the Goldenville project, which lies in the province's largest historic gold district, and is also exploring four other gold projects. MegumaGold currently holds 7,176 hectares of exploration licences adjacent to Osprey's Goldenville project.

On the other side of Canada, the company is looking to move into the hot palladium space with the acquisition of five mineral claims in the Similkameen mining division of British Columbia. The company aims to immediately begin surface work, mapping and sampling there and planning for a bigger work program. Palladium is used in catalytic converters in vehicles.

Inflection points:

- More exploration results
- Further company acquisitions

What the boss says:

In its most recent statement, MegumaGold President Theo Van der Linde told investors: "We're very pleased to see these large arsenic and gold anomalies taking shape and believe there is similarity of the grade and size of these large arsenic and gold anomalies to the adjacent mine.

"The significance of arsenic in the surrounding rocks and soils of many of the major deposits in Nova Scotia is well documented and we now have three such anomalies on an anticlinal corridor which has the proven ability to host multiple large, low-cost gold deposits."

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