

# Goldletter INTERNATIONAL

*the international independent information and advice bulletin for gold and related investments*

**INVESTMENT ALERT – November 7, 2017**

[www.goldenarrowresources.com](http://www.goldenarrowresources.com)



## Golden Arrow Resources (C\$ 0.43)

TSX.V : GRG  
OTC : GARWF  
Frankfurt SE : G6A

H+L prices (12 months) : C\$ 0.97 – 0.41

Net shares issued : 98.2 million shares  
Fully diluted : 114.5 million shares

Market Capitalization : C\$ 42.2 million  
(US\$ 33.0 million)

**12 months price target: C\$ 0.90**

## INVESTMENT ALERT

**Golden Arrow Resources commences US\$ 1 million exploration program at its Pescado Gold Project in San Juan Province, Argentina**

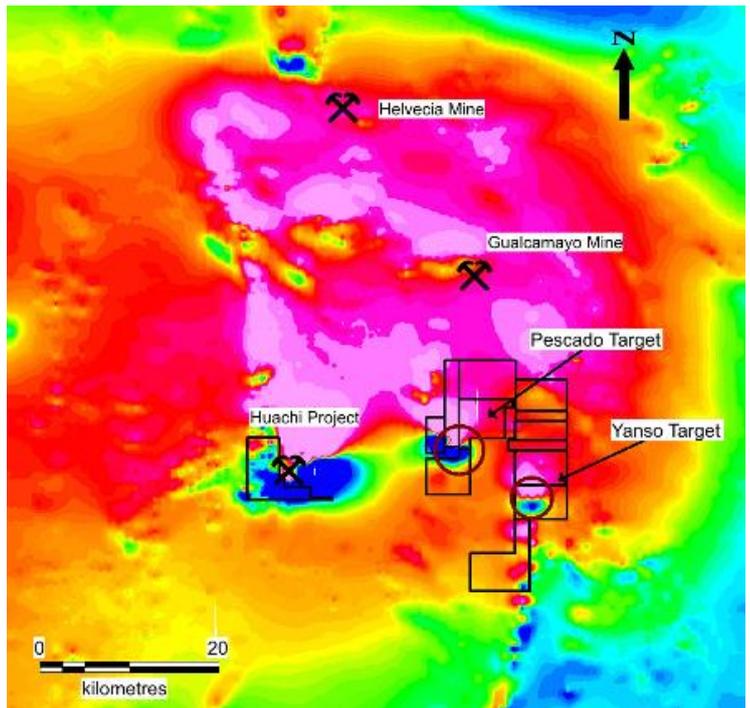
On November 6, 2017, **Golden Arrow Resources** announced the initiation of a US\$ 1 million exploration program at its 100%-owned **Pescado Gold Project** in San Juan Province. San Juan hosts several world-class miners and deposits, including the Gualcamayo gold mine which is situated approximately 10 kilometres to the north of Pescado.

Golden Arrow's management was involved in the discovery of the Gualcamayo gold deposit.

The **Pescado Gold Project** has 2 principal gold target areas where large intrusive bodies intersect with major regional faults. Previous work in these areas identified high-grade gold mineralization, including 17.6 g/t gold in outcrop samples.

The exploration program will include additional geophysics and surface work to define drill targets, with up to 1,800 metres of drilling budgeted.

Work permits have been granted by the provincial mining authorities, and the technical team is now commencing exploration. Work permits have been granted by the provincial mining authorities, and the technical team is now commencing exploration at the Yanso target area.



#### Investment comments:

With its exploration activities focused on Argentina, the announced US\$ 1 million exploration program at its **Pescado Gold Project** in San Juan Province, follows the recent business agreement with SSR Mining to combine its **Chinchillas Silver-Lead-Zinc Project** with SSR's Pirquitas Silver-Zinc mining operation in the formed **Puna Operations**. This strategical step has significantly exceeded **Golden Arrow's** potential as a junior silver producer, enhanced by its strong financial position after having received C\$ 17.8 million for the Pirquitas payment.

In this respect, it is noteworthy that the Puna Operations will be one of SSR's three priority projects, next to its producing Marigold Mine in the United States and the Seabee Gold Operation in Canada. SSR has a present market valuation of C\$ 1.5 billion.

**Puna Operations** offers a 8.4 million silver equivalent production for 8 years, and calculated at a silver price of \$ 19.50 per ounce represents US\$ 11.38 billion in gross sales, resulting in a post-tax cash flow of \$ 267 million and an NPV (5%) of \$ 178 million.

It is to be noted that only 25 hectares of the **Chinchillas Project** has been explored in detail to date, and the remaining 1,978 hectares having remained under- or unexplored.

Besides Puna Operations, **Golden Arrow's** other properties, including the **Pescado Gold Project**, to be separated in **New Golden Explorations**, this represents an attractive added value, which underpins my investment recommendation, with a 12 month price target of C\$ 0.90.