

GOLD

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All figures in US\$, unless otherwise noted.

| | Rating | Target |
|--------------------|-----------|---------|
| Cabral (CBR-V) | NR | N/A |
| Cartier (ECR-V) | Spec. Buy | C\$0.50 |
| Erdene (ERD-T) | Spec. Buy | C\$0.80 |
| Galway (GWM-V) | NR | N/A |
| Great Bear (GBR-V) | NR | N/A |
| Maritime (MAE-V) | NR | N/A |
| Moneta (ME-T) | Spec. Buy | C\$0.40 |
| Reunion (RGD-V) | Spec. Buy | C\$0.95 |
| Revival (RVG-V) | Spec. Buy | C\$2.45 |
| Roscan (ROS-V) | NR | N/A |
| Wallbridge (WM-T) | Spec. Buy | C\$1.00 |

Dirt Dozen Update

Event

At the recent PDAC conference in Toronto, we met numerous companies, some new some old, and heard the latest stories. We felt this was an appropriate time to update our Dirt Dozen list of our favourite explorers among the 80–100 exploration names we monitor at any given time. There are three additions, and two deletions, from our Sept. 2019 Dirt Dozen update, and we also highlight an additional five “Honourable Mentions” to watch.

Highlights

- ▶ **Additions to the Dirt Dozen** | We are adding Cabral Gold (CBR-V) and Roscan Gold (ROS-V) to our list.
- ▶ **More “Honourable Mentions”** | We also have four companies to add to the “Honourable Mentions” category: Matador Mining (MZZ-ASX), Pancontinental Resources (PUC-V), Sun Peak Metals (private) and Tudor Gold (TUD-V). These are companies that we felt were not quite ready to join the full ranks of the Dirt Dozen yet, for a variety of reasons, but we believe have near-term catalysts that could make them candidates over the next few months.
- ▶ **Removals from the Dirt Dozen** | We try to keep our Dirt Dozen to around 12 names, so the name is representative (we are currently at 11 names but expect at least one of the Honourable Mentions to transition to the list shortly). This means when new names go on, something usually must come off. We are removing Solstice Gold (SCG-V) and Tethyan Resources (TETH-V). We are still monitoring both these companies, but the exploration progress since our last Dirt Dozen update (Sept. 2019) has not been as positive as we had hoped, suggesting the projects will take longer to unveil their potential. Still worth monitoring but nudged out of the favoured Dirt Dozen by names with more near-term potential and catalysts.

Conclusion

With the recent market meltdown, we are not expecting investors to be beating down the doors to fund the junior exploration tier. Nevertheless, there are a few exploration companies that are distinguishing themselves with some truly new stories, creating value (discoveries) from nothing — the backbone of the mining industry. The macro setting for gold-producing companies is sound; the gold price is at near-record levels in most currencies, and even within ~12% of the all-time high in USD terms. The declining oil price should help reduce operating costs for producing companies, further improving the margins. Producers, for the most part, aren’t very good explorers outside of brownfields exploration around their existing operations. The industry has become dependent on the junior exploration tier to discover and de-risk new deposits. To grow, or even just to maintain their production levels, the producers will have to start shopping. We are highlighting some of the names we think should be on investor and corporate radar screens.

Our Favourite Explorers: The Dirt Dozen

Of the literally thousands of exploration companies out there, we monitor ~80–100 at any given time, as part of our weekly MIPP tables (Mining Industry Price Performance). We have selected 12 of what we believe to be the most interesting Explorers to come across our desks at this time, dubbing them the “Dirt Dozen”. The companies are presented in alphabetical order. For the companies currently not under coverage, we have shown an “Indicative Potential Share Price Range”, which is based on these companies participating in a similar price recovery as the exploration tier (group average) from current prices back to similar valuations at peak prices in 2016.

Figure 1: Dirt Dozen Indicative Share Price Potential & Target Prices

| | | 3/9/2020 | | | | | | |
|------------|--------|----------------|--|---------|------------------------------|-----------|----------------|------|
| Company | Ticker | Current C\$ Sh | Indicative Potential Share Price Range | | Companies Under PCI Coverage | | Implied Upside | |
| | | | Low | High | Target Price | Rating | Low | High |
| Cabral | CBR-V | \$0.13 | \$0.30 | \$0.45 | -- | -- | 231% | |
| Cartier | ECR-V | \$0.12 | -- | -- | \$0.50 | Spec. Buy | 317% | |
| Erdene | ERD-T | \$0.22 | -- | -- | \$0.80 | Spec. Buy | 264% | |
| Galway | GWM-V | \$0.39 | \$0.90 | \$1.35 | -- | -- | 231% | 346% |
| Great Bear | GBR-V | \$6.64 | \$16.00 | \$24.00 | -- | -- | 141% | 261% |
| Maritime | MAE-V | \$0.08 | \$0.18 | \$0.27 | -- | -- | 140% | 260% |
| Moneta | ME-T | \$0.08 | -- | -- | \$0.40 | Spec. Buy | 400% | |
| Reunion | RGD-V | \$0.11 | -- | -- | \$0.95 | Spec. Buy | 764% | |
| Revival | RVG-V | \$0.64 | -- | -- | \$2.45 | Spec. Buy | 283% | |
| Roscan | ROS-V | \$0.19 | \$0.40 | \$0.60 | -- | -- | 111% | 216% |
| Wallbridge | WM-TSX | \$0.67 | -- | -- | \$1.00 | Spec. Buy | 49% | |

Source: Paradigm Capital Inc.

Cabral Gold (CBR-V: C\$0.135, Market Cap US\$6M)**Unlocking the High-grade Potential of the Cuiú Cuiú Project in Brazil**

Cabral Gold was an “Honourable Mention” in our Sept. 2019 Dirt Dozen report; as a result of the exploration success since then, we are now making it a full-fledged member of our list. CBR’s primary asset is the Cuiú Cuiú gold project in Brazil. The project currently hosts a total resource of ~1Moz @ ~1.1 g/t (indicated 0.2Moz @ 0.90 g/t and inferred 0.8Moz @ 1.24 g/t). This existing resource fails to excite the market, and the company is focused on unlocking the high-grade potential of the project. The first hint of the high-grade potential starts with an examination of the capping used to estimate the resource. Comparing against an “uncut” average (where no capping is applied to high grade assays), ~70% of the uncut gold was removed by the capping. Capping is absolutely necessary in deposits such as this where “nuggety” gold exists, but more typically is to expect a 10–25% cut. We believe the capping parameters likely need to be reviewed to determine a more representative average grade.

The greater excitement has been the discoveries over the past year with multiple high-grade drill intercepts outside of the existing resources. Drill results reported in Q4/19 at the MG zone included 16.9m @ 9.6 g/t and 14.2m @ 6.7 g/t. This is a much more interesting than the 1.1 g/t existing resource. Just one month ago, Cabral announced initial results from reconnaissance surface sampling at an area about 3-km southeast of MG (now called the Alonso target) where 23 rock samples collected from surface boulders and all returned gold values ranging from 11.6 g/t to 200.3 g/t gold, and averaged 91.7 g/t (one additional sample, bringing the total to 24, was announced in late February and it ran 82.0 g/t). The boulders are all angular blocks and are believed to have originated from a nearby source. Not surprisingly, this is a high-priority target for follow-up drilling.

In late February, Cabral announced it had acquired a (lightly) used reverse circulation (RC) drill rig in country (for about 10% of the cost of a new one). This should help accelerate the company’s drilling programs, as the RC rig is faster and a small fraction of the per-metre cost of a diamond drill rig. While diamond core will still be necessary, the RC rig can prioritize targets with quicker results and can be used to pre-collar (drilling through the non-prospective rock) deeper diamond holes.

Many investors pass over Cabral after seeing the 1Moz @ 1.1 g/t resource. That is not what this company is about, and the high-grade results from several targets, as well as many targets left to test, we see the resource growing materially in both contained ounces and, more importantly, in average grade. The recent acquisition of an RC rig should allow the company to accelerate its drilling programs and newsflow going forward. The company has a good institutional shareholder base (anchored by Dundee Goodman with ~11% ownership) and management has plenty of “skin in the game” holding over 25% of the company.

Roscan Gold Corp. (ROS-V: C\$0.19; Market Cap US\$23M)**New High-grade Discovery in Prolific (50Moz+) camp in Mali**

Roscan's Executive Vice Chairman Greg Isenor was formerly the CEO of Merrex Gold, discovering the Siribaya deposit in Mali and the company was subsequently acquired by IAMGOLD (IMG-T, C\$9.00 TP, Buy) in early 2017. Greg joined Roscan as CEO in March 2017 when the company's focus was the Dormaa project in Ghana. Roscan shifted strategy starting in early 2018 when it started acquiring prospective ground along the same mineralized belt containing Siribaya, starting with the 56 km² Kandiole-North permit. By mid-2018, Roscan had amassed a collection of permits totaling 256 km² (collectively referred to as the Kandiole project), adjacent to (north of) Siribaya, and about ~25-km east of the Fekola mine (B2 Gold, ~5Moz). In August 2018 Roscan dropped the Dormaa project to concentrate its efforts on the Kandiole project.

After early exploration work (soil sampling, geophysics) the company started drilling the Kandiole project in November 2018 and had early success, announcing a discovery in January 2019 in the first batch of shallow (<50m) Air Core (AC) holes. Results such as 14m @ 5.94 g/t, 14m @ 8.68 g/t and 18m @ 8.47 g/t on its Mankouke permit were spectacular for a first drill program and the share price shot from C\$0.06 to C\$0.19 over two days on that news. Follow-up results testing this discovery at greater depths released in April 2019 were not nearly as strong as the initial results and the share price dropped to ~\$0.10. Ignoring the volatility of the share price and focusing on systematic exploration, the company embarked on further drill campaigns, continuing to outline significant mineralization from its AC drilling. In October, Roscan announced plans to bring in a diamond drill rig to conduct follow-up drilling on the promising areas.

An equity financing to fund the drilling closed in December 2019 and included an investment by Michael Gentile, who took a 5% stake in the company. Mr. Gentile is a former (retired) professional money manager who remains a very active investor in the mining space owning significant stakes in several small-cap mining companies. He has accepted a role as Strategic Advisor to Roscan (he holds a similar role with Radisson Mining and Northern Superior Resources). In late Dec. 2019, Roscan announced that Nana Sangmuah had been appointed President & CEO (taking over the role from Greg Isenor, who became Executive Vice-Chairman). Nana was previously a well-regarded mining analyst with Clarus Securities and is, in our opinion, one of the most knowledgeable on the deposits of and companies working in West Africa. In January 2019, a further strengthening of the Roscan team was announced with the appointment of Sir Sam Jonah to the board as Non-Executive Vice Chairman. Sir Jonah was the former CEO of Ashanti Goldfields and Executive President of Anglo Ashanti Ltd. (world second-largest gold producer at the time) in May 2004 when Ashanti merged with AngloGold. He was presented with an honorary knighthood by the Prince of Wales, in recognition of his achievements as an African businessman, a leading business executive from the Commonwealth and an international public figure. In his long career he has successfully served on many boards, including that of Vodaphone U.K. and the advisory board of Bank of America. Sir Jonah is the Chairman of Helios Towers that IPO'd in Oct. 2019 for \$1.8B. To have somebody of this stature on Roscan's board is very unusual for such an early-stage small market-cap explorer. This feels like positioning for something much bigger.

All the best people mean nothing without good results. And on Feb. 27/19 Roscan delivered on that front. The company released another batch of results, including the first two diamond drill holes (diamond drill core, the "gold standard" of exploration) returning impressive results of 88.0m @ 3.18 g/t and 40.0m @ 4.18 g/t (and including higher-grade sub-intervals up to 3.0m @ 23.3 g/t). These diamond holes confirmed earlier AC drill results and have extended the known mineralization to a vertical depth of ~85m (about twice that defined by the AC drilling). This has prompted the company to triple its current planned drilling program to 30,000m and add a second rig.

With a large land package in proximity to existing multi-million-ounce deposits, excellent results to date and a remarkably strong board, we view Roscan as the horse to back for the next big discovery in this gold camp.

Honourable Mentions: Another Name on Our Radar

We felt the following names were close but didn't quite make our Dirt Dozen list at this time, for a variety of reasons, but we feel they have the potential to be future additions to the official Dirt Dozen names if their projects continue to unfold as we expect.

Matador Mining (MZZ-ASX: A\$0.15; Market Cap US\$12M)

More Aussies in Eastern Canada

We met with Matador Mining for the first time during the PDAC conference and were somewhat surprised that this name had not been on our radar screens already. The likely reason for our lack of familiarity is that Matador trades only on ASX (no North American listing). Matador owns the Cape Ray project in Newfoundland. In Feb., the company released a resource estimate (JORC-compliant) totaling 1.18 Moz @ 2.2 g/t, in five zones along a strike of ~12 km, including 786Koz @ 2.7 g/t in the Central zone (roughly in the middle of that trend).

A scoping study is underway with results expected to be released by the end of March. Conceptually, the project is envisioned as a series of shallow (<150m) open pits, starting with the cornerstone Central zone. The company recently raised A\$5M, which will be used to advance the economic studies, permitting and further exploration along the ~80 km of strike of prospective geology (~12 km of which currently hosts resources).

When St. Barbara Mines (SBM-ASX) acquired Atlantic Gold for its Moose River gold mining operation in Nova Scotia, we were not surprised. To us it makes logical sense that the Aussie producers look to Canada (a similar jurisdiction to their own) for opportunities. We are surprised there hasn't been more of that. But Matador is an Aussie company already here in Eastern Canada, and advancing a project toward production, with a construction decision expected in 2022.

Pancontinental (PUC-V: C\$0.04; Market Cap US\$5M)

Exploring the Past-Producing Brewer Gold Mine in South Carolina

Pancontinental has been exploring, on and off, for several years in the area near the Haile gold mine in South Carolina. For awhile, the company's efforts drifted more toward battery metals (nickel-copper-cobalt) in Canada, but then we took notice when the company announced (in July 2019) expanding its land position around the past-producing Brewer gold mine in South Carolina. That struck us as odd, since the Brewer gold mine was a bit of a black eye for the industry, with the past operator abandoning the site with contamination that led the area being declared a U.S. Superfund site, with the U.S. Federal government assuming responsibility for the clean-up. We then learned the reason for this positioning was that Brewer was soon to become available.

The Brewer gold mine was placed into receivership and put out to an unusual public (albeit not too widely announced) tender. The terms were intentionally left vague. Pancontinental beat out some larger competitors to successfully win the tender. PUC has partnered with Environmental Risk Transfer (ERT), a private U.S.-based company that specializes (as its name suggests) in taking on environmental liabilities and has a successful track record of returning another SuperFund site back into an operating mine (Missouri Cobalt, a private company).

PUC has an exclusive right to conduct exploration and environmental studies at Brewer for a period of 18 months, with a further 18-month extension possible. PUC must spend at least US\$2M over that period and can walk away from the project after spending US\$0.5M. If it finds enough mineralization to justify a new mine, PUC will have the exclusive right to exercise an option to purchase the property outright. The purchase price will be based on the estimated cost of environmental remediation for the past operations only, it will not be affected by how much new mineralization PUC discovers. If the full purchase is exercised, ERT will take title to the property and assume the past environmental risk and PUC will have exclusive right to operate a mine on the property.

So, what is Brewer? It is a past-producing mine that was focused on the oxide ore near surface which was exploited by shallow open pits and processed using heap leach. The past operators encountered copper-gold sulphide mineralization, which not only cannot be treated by heap leach, but also can cause acid rock drainage, which together with a 1-in-100-year flood event were the reasons the past

operators abandoned the site in a polluted state. PUC is focused on exactly that mineralization type (copper-gold sulphides), as there are many indicative signs that the oxide deposit at surface was just the top of a much larger porphyry or porphyry-like intrusive-related deposit at depth. The fact that Cu-Au sulphide mineralization was encountered in the past operations pits (as shallow as only ~50m below surface), plus past limited exploration (a drill hole completed by Placer Dome in 1997 returned 70m @ 1.1 g/t Au and 0.23% Cu) gives us a lot of confidence that there is something there. It's a matter of how much. Conceptually, PUC is targeting a 5-10Moz AuEq high-grade gold-copper deposit between 300m and 600m below surface, likely atop a much larger, lower-grade deposit. A mighty goal for a single-digit market cap company — but not an impossible one.

Sun Peak Metals Corp. (Private, IPO Pending)

Promising VMS Exploration Play with an Experienced Team

Sun Peak is a promising VMS exploration play in northern Ethiopia. Currently a private company, Sun Peak is managed and owned by former senior management of Sunridge Gold and the senior exploration team of Nevsun Resources, both successful exploration, development and mining companies in the Arabian-Nubian Shield. An IPO is planned for March–April 2020. Sun Peak's Shire project in Ethiopia is located north of the two major VMS discoveries (Bisha and Asmara, both in Eritrea) which were found by the same geological team now with Sun Peak. We view Ethiopia as a significantly lower risk, more investor friendly jurisdiction than Eritrea. Historical exploration in northern Ethiopia has been sporadic and limited in scope. Sun Peak is doing the first comprehensive work, having carried out extensive geophysics, geochem and surface exploration, identifying more than 20 targets.

The strategy is straightforward: apply the same successful exploration techniques (and team) to the same rocks, looking for the same deposit type (VMS) as that already discovered on the other side of the Eritrea-Ethiopia border. There is also potential for orogenic gold deposits. Sun Peak is well funded, with C\$14M. It has a strong core shareholder base, including Sandstorm Gold (SSL-V, C\$9.50 TP, Buy) (4.9%) and Sun Peak management has a significant share and option position (~30% fully diluted). We are not able to predict what price it will IPO at, but its cash position is the result of an early 2020 financing at C\$0.35/sh, valuing its 77M shares outstanding at C\$27M, or C\$13M net of cash, or C\$15M fully diluted.

Tudor Gold (TUD-V: C\$0.43; Market Cap US\$45M)

The Next Big One in the Golden Triangle of British Columbia?

Tudor Gold owns several tracts of ground in the Golden Triangle region of British Columbia near Pretium's Brucejack/Valley of Kings mine (6.4Moz gold reserves) and Seabridge Gold's KSM project (38.8Moz gold reserve). The most advanced project is the Treaty Creek project, which is 60%-owned by Tudor, with partners Teuton Resources (TUO-V) and American Creek Resources (AMK-V), each holding a 20% interest.

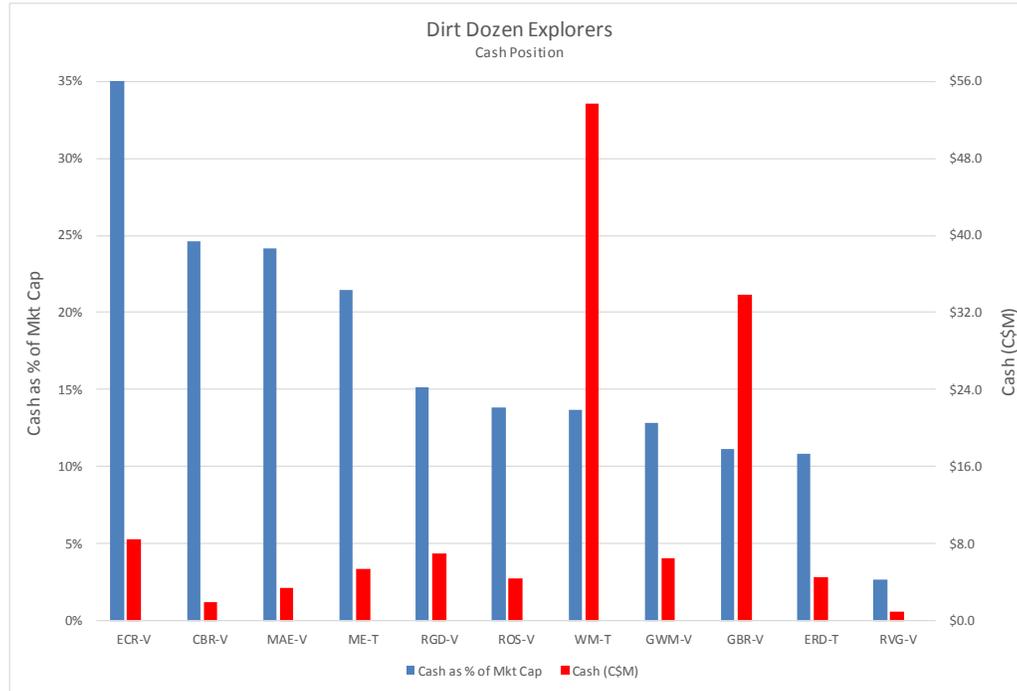
The Goldstorm zone of the Treaty Creek projects has returned many broad, well-mineralized intercepts reminiscent of those encountered by Seabridge, but with even better grades. Examples include Hole GS19-42 which hit 780m @ 0.683 g/t gold or 0.849 g/t gold equivalent (AuEq) (including copper and silver), and a higher-grade sub-interval (the 300 Horizon) of 370.5m @ 1.097 g/t gold or 1.275 g/t AuEq. This is not just a one-hit wonder, there are multiple intersections. The company conceptually believes it could be on track to defining 1Bt of gold-copper mineralization – a world-class deposit. Equally interesting to us is the 300 Horizon which is near surface (thus potentially open-pittable) and higher grade than the broader interval average. Having a starter pit that could provide many years of strong cash flow could materially help when defining project economics.

We do have concerns about the current ownership structure whereby Tudor only owns a 60% interest in the project and has two junior partners at 20% each. This is a situation that can make it more difficult to clearly advance the project when three partners may have differing priorities and/or abilities to fund the needed exploration. Tudor has had discussions with its minority partners on "rationalizing" the ownership structure, with perhaps the partners receiving shares in Tudor in exchange for a portion of their current interest. If this can be completed on reasonable terms, we believe it would make Treaty Creek a more attractive project, helping further advance it.

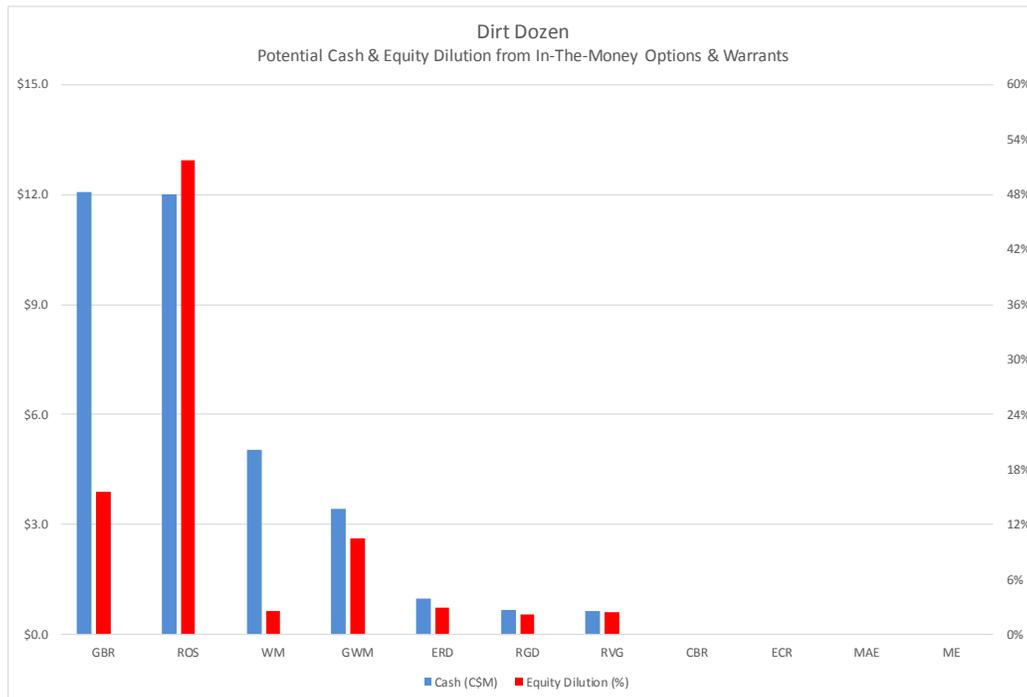
Figure 2: Dirt Dozen Summary

| Company Name | Ticker Symbol | Share Price (C\$/sh) | Market Cap (C\$M) | Cash (C\$M) | Working Cap (C\$M) | Primary Project(s) | Location(s) | Total Resources (All Categories) | Resource Grade | Comments |
|-----------------------------|---------------|----------------------|-------------------|-------------|--------------------|--|------------------------------|---|--|--|
| Cabral Gold | CBR-V | \$0.13 | \$8 | \$2.0 | \$1.8 | Cuiu Cuiu Gold Project | Brazil | 347 Koz gold | 1.16 g/t Au | Management working diligently to demonstrate high-grade potential of Cuiu Cuiu project which currently has resources of 1Moz @ 1.1g/t. We believe historical resource was overly conservative on top-cutting, and several new higher grade discoveries have been announced in 2019 outside current resource area. Discovery of Alsonso target in Feb 2020, with angular boulders on surface. 24 grab samples averaged 91.7 g/t (ranging 11.6 - 200.3 g/t). Will be high-priority target for follow up drilling. Recently acquired RC drill rig should speed up pace of exploration in 2020. |
| Cartier Resources | ECR-V | \$0.12 | \$23 | \$8.4 | \$3.4 | Chimo Mine Project | Quebec, Canada | 879 Koz gold (at 2.5 g/t cutoff) | 3.94 g/t Au | Brownfields past-producing mine (Cambior). Cartier has defined mineralization extending 500m below past shaft bottom and parallel zones of mineralization from surface to 1000m depth. Updated resource expected in Q2 2019. Strategic partner Agnico Eagle holds 17% interest. Also has three other projects in the Abitibi region of Quebec with historical resources |
| Erdene Resource Development | ERD-T | \$0.22 | \$42 | \$4.6 | \$4.1 | Khundii District (Bayan Khundii and Alkan Nar deposits) | Mongolia | 1.13 Moz gold (+ byproducts) | 2.5 g/t Au | Good team with track record of discoveries in Mongolia. The Bayan Khundii (BK) discovery resource has a higher-grade core, which was the focus of an Oct 2019 PFS study, with head grade of 3.73g/t assumed development outlines 61 Koz/yr producer for 7 years. Feas study underway. Discovery was made in a region with virtually no historical exploration, and we expect further discoveries from defined targets. |
| Galway Metals | GwM-V | \$0.39 | \$50 | \$6.4 | \$5.3 | Clarence Stream (Au) Estrades (Au-Zn-Cu-Ag) VMS | NB, Canada Quebec, Canada | 740 Koz gold (Clarence) 1.06 Moz Au-eq (Estrades) | 2.16 g/t gold (Clarence), 8.95 g/t Au-eq (Estrades) | Galway Metals has two Canadian projects: Clarence Stream, an emerging gold district in New Brunswick and Estrades, the former producing, high-grade VMS mine in Quebec. Over the next 1-2 years at Clarence Stream, we see potential to grow the resource to 1.0-1.5Moz. Current resource includes only 2 of 5 known zones. Once at least 1Moz of mineable resource is outlined we expect the company will move forward with an economic study while continuing to test along the 65km strike length of the property. |
| Great Bear Resources | GBR-V | \$6.64 | \$304 | \$33.9 | \$31.8 | Dixie, West Madsen | Ontario, Canada | n/a | n/a | Great Bear is advancing its 100%-owned, discovery-stage Dixie gold project. Dixie is one of the most exciting recent discoveries in the exploration tier, potentially district in scale (i.e. large), high grade, close to surface, close to infrastructure within a famous gold producing region (Red Lake, with 30Moz in historical gold production from 26 gold mines) and in a stable jurisdiction, Ontario. GBR's share price is likely ahead of itself, but we believe this is justified by the quality and size potential. |
| Maritime Resources | MAE-V | \$0.08 | \$14 | \$3.4 | \$2.9 | Hammerdown Project | Newfoundland, Canada | 1.08 Moz gold total 633 Koz (Hammerdown), 383 Koz (Orion) | 7.5 g/t Average, 8.9 g/t (Hammerdown), 5.0 g/t (Orion) | Maritime is evaluating a restart of the past-producing Hammerdown mine (Richmont Mines). A recent PEA (Feb 29/20) outlines a development producing 58Koz of annual gold production for 3 years; a low-capex project with ore to be toll-milled at a nearby mill. Several sources of potential resource upside including to depth (offset below fault) and new Whisker Valley discovery 6km to the northwest. |
| Moneta Porcupine Mines | ME-T | \$0.08 | \$25 | \$5.3 | \$4.1 | Golden Highway Project | Ontario, Canada | 1.73 Moz gold | 4.38 g/t Au | In 2012 ME defined a large resource (4.3 Moz), and envisioned a large-scale operation (25,000tpd, 266Koz/yr production). As market conditions took such large (\$1B+ capex) low-grade (sub-1g/t OIPI) projects out of favour, a strengthened management team has reinterpreted the geology to focus on higher-grade structures. New resource (1.73 Moz @ 4.38g/t) released in Nov 2019 illustrates potential for a smaller, low-capex, high-margin project. Drilling is continuing to expand known mineralization. |
| Reunion Gold Corp. | RGD-V | \$0.11 | \$46 | \$7.0 | \$4.0 | Five gold exploration projects in Guiana Shield. Our favourites: Dorlin Project and Waiamu Project | French Guiana, Guyana | 1.55 Moz gold (Dorlin) | 1.07 g/t (Dorlin) | This explorer is the reincarnation (or reunion) of the original pre-eminent explorer in the Guiana Shield in the 1930s, Golden Star, with many of the key players. The Guiana Shield is highly analogous to the greenstone belts in West Africa, but the Guiana Shield has received far less exploration efforts. Reunion has a strong team, and multiple prospective projects. The strategic investment by Barrick (holds 19.9% interest) is an affirmation of the team and the projects. |
| Revival Gold Inc. | RVG-V | \$0.64 | \$34 | \$0.9 | \$0.6 | Beartrack Gold Project | Idaho, USA | 2.99 Moz gold (0.58 Moz Heap, 2.41Moz Mill) | 1.11 g/t Au (0.56 g/t Heap, 1.47 g/t Mill) | Brownfields past-producing heap-leach mine. Revival envisions a development plan that would begin with an oxide heap leach and then build a mill to process the fresh rock resource (with partial funding from HL cash flow). Company is drilling to expand resources, including on adjacent Arnett property. Strategic partner Orion Mine Finance holds 9.9% interest. |
| Roscan Gold | RDS-V | \$0.19 | \$32 | \$4.4 | \$4.1 | Kandole Project | Mali | n/a | n/a | The same management team behind Merrex Gold (acquired by IAMGOLD in 2017) acquired additional permits in the same region of Mali. The company has had some exciting very early success with their initial auger drilling programs, drilling fences of 50m deep holes. In late-2019/early-2020, board and management strengthened with addition of Nana Sangmuah as CEO and Sir Sam Jonah as Non-Executive Vice-Chairman. First diamond drill hole released in Feb 2020 have returned excellent results (86m @ 3.18 g/t). |
| Wallbridge Mining | WM-T | \$0.67 | \$393 | \$53.7 | \$48.5 | Fenelon Gold Project | Quebec, Canada | Not meaningful (40 Koz before bulk samples) | Not meaningful (10 g/t before bulk samples) | Wallbridge acquired the Fenelon gold project in 2016, which included limited underground development and bulk samples by previous operators. In 2017-2018, the company extended the u/g development to 125m depth and completed bulk samples totalling 35Kt producing 19.0 Koz of gold. Exploration has massively expanded known high-grade mineralization to 850m depth, which we estimate could contain 2Moz. "Area 51" mineralization is low-grade but broader intercepts, a potential game-changer if a multi-Moz bulk-mineable deposit (in addition to high-grade resource) can be revealed. Company is well funded and aggressively drilling (~10,000m per month) to define resources. |

Source: Paradigm Capital Inc.

Figure 3: Dirt Dozen – Cash Position


Source: Paradigm Capital Inc.

Figure 4: Dirt Dozen – Potential Cash & Dilution from In-the-Money Options & Warrants


Source: Paradigm Capital Inc.

DISCLAIMER SECTION

| Company | Ticker | Disclosures |
|-----------------------------------|--------|-------------|
| Cartier Resources Inc. | ECR-V | 3 |
| Erdene Resource Development Corp. | ERD-T | 3 |
| IAMGOLD | IMG-T | 3 |
| Moneta Porcupine Mines Inc. | ME-T | 3 |
| Reunion Gold Corp. | RGD-V | 2,3 |
| Revival Gold Inc. | RVG-V | 2,3 |
| Sandstorm Gold | SSL-V | 3 |
| Wallbridge Mining | WM-T | 3 |

Note: Please refer to above table for applicable disclosure numbers.

- The analyst has an ownership position in the subject company.
- Paradigm Capital Inc. has assumed an underwriting liability for, and/or provided financial advice for consideration to the subject companies during the past 12 months.
- Paradigm Capital Inc. expects to receive or intends to seek compensation for investment banking services from the subject companies in the next 3 months.
- Paradigm Capital Inc. has greater than a 1% ownership position in the subject company.
- The analyst has a family relationship with an Officer/Director of subject company.
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| Recommendation | Number of Companies | Percentage Breakdown | |
|------------------|---------------------|----------------------|--|
| Buy | 96 | 63% | Buy – Expected returns of 20% or more over 12 months. |
| Spec. Buy | 36 | 24% | Speculative Buy - Expected returns of 20% or more over the next 12 months on high-risk development or pre-revenue companies, such as junior mining and other early stage companies. |
| Hold | 15 | 7% | Hold - Expected returns of less than +/- 20% over the next 12 months. Includes companies Under Review. |
| Sell* | 1 | 1% | Sell - Expected returns of -20% or more over the next 12 months. |
| Total | 148 | | |

*Includes companies with a "Tender" recommendation

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