

## Juniors optimistic at the Precious Metals Summit



PRECIOUS METALS SUMMIT

Delegates mingle at the Precious Metals Summit in Colorado.

BY SALMA TARIKH

BEAVER CREEK, COLORADO — The fourth annual Precious Metals Summit, held at an exclusive ski resort in Beaver Creek, Colo., kicked off on Sept. 10, with more than 100 select juniors presenting over two days.

CEO of the Precious Metals Summit conferences Jessica Levental and her

team handpicked the companies based on their ability to make money for shareholders. “We are looking for good boards and management with quality assets, a past track record of discovery, and the potential to execute and deliver on their promises,” she told *The Northern Miner*.

In her opening remarks, Levental

noted despite the challenging environment and low metal prices that have depressed share prices; there is still a lot of value in the sector built over the past several years through the drill bit, technical studies and cost-saving measures.

“This crystallization of value has created incredible opportunities for

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investors interested in the sector as well as producers who are depleting their reserves,” Levental said.

That producers are on the lookout for new growth projects is apparent with the recent uptick in mergers and acquisitions (M&A) activity, including **Agnico Eagle Mines**’ (TSX: AEM; NYSE: AEM) \$205-million friendly bid for Mexico-focused explorer **Cayden Resources** (TSXV: CYD; US-OTC: CDKNF) and **B2Gold**’s (TSX: BTO; NYSE-MKT: BTG) US\$570-million acquisition of Mali-focused junior Pappilon Resources.

“The key message in all of this is M&A activity is alive and well and poised to deliver significant value to shareholders of companies on both sides of these transactions.”

The mood of the conference was positive, despite gold and silver prices dropping more than 8% and 17% since last year. Most of the 104 featured companies talked about de-risking their projects to construction and cautiously spending on exploration.

The invitation-only event drew 522 attendees, including 231 corporate delegates and 291 non-corporate attendees consisting of 198 buy-side representa-

tives, 38 sell-side representatives, plus 55 sponsors and guests. Total attendance was up 27% year-over-year, and 54% since the summit made its debut in 2011. More than 2,300 one-on-one meetings took place, which is up from 1,600 a year ago.

“We believe these statistics highlight the importance of the junior-mining sector, amidst senior producers’ shrinking exploration budgets and project spending deferrals,” Cowen and Co. analyst Adam Graf, who was a session moderator, wrote in a Sept. 15 note.

Graf notes participating firms **McEwen Mining** (TSX: MUX; NYSE: MUX), **Pretium Resources** (TSX: PVG; NYSE: PVG) and **Gold Standard Ventures** (TSXV: GSV; NYSE-MKT: GSV) remain his top picks.

McEwen is commissioning the expansion at its El Gallo 1 silver-gold mine in Mexico, where it is increasing throughput from 3,000 to 4,500 tonnes per day. The heap-leach operation should operate at full capacity later this year, doubling production to 75,000 equivalent oz. gold in 2015.

Pretium recently submitted its permit application to build its high-grade Brucejack gold mine in B.C., with ap-

proval expected in early 2015. The firm anticipates financing much of its US\$750-million project in the fourth quarter, and is targeting first production in 2017.

Gold Standard published a maiden resource estimate for its recently acquired Pinion gold project in Nevada. The project has an indicated resource of 20.8 million tonnes grading 0.63 gram gold per tonne for 423,000 contained oz. gold, plus an inferred 55.9 million tonnes at 0.57 gram gold for 1 million contained oz. gold. The junior has initiated a second round of drilling and aims to publish a preliminary economic assessment early next year.

Meanwhile, Levental thanked her advisory committee — consisting of John Hathaway, Robert Cohen, Joe Foster and David Harquail — for attracting juniors with high-quality projects and management teams.

“Over the past three years we have been exceeding expectations, so word of mouth is spreading. We’ve managed to demonstrate that the Precious Metals Summit is truly the place ‘where the smart money goes prospecting,’” she said.