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**# 620 10 MAY 2016**

**Precipitate Gold (PRG-V; up 2 cents on 120k shares at \$0.16 – Not Rated)**

released the results of its reconnaissance on new and underexplored areas of its Juan de Herrera project in the Tireo gold camp in the Dominican Republic. The general highlights of the program are shown on the simplified map on the following page. Precipitate crews undertook initial work in a large number of areas at Juan de Herrera, most of them completely unexplored before this program. The object of the program was to kill as many of these prospects as possible, leaving PRG will a smaller set of high priority areas to follow up and advance to drill targeting stage to compliment its existing **Ginger Ridge** discovery.

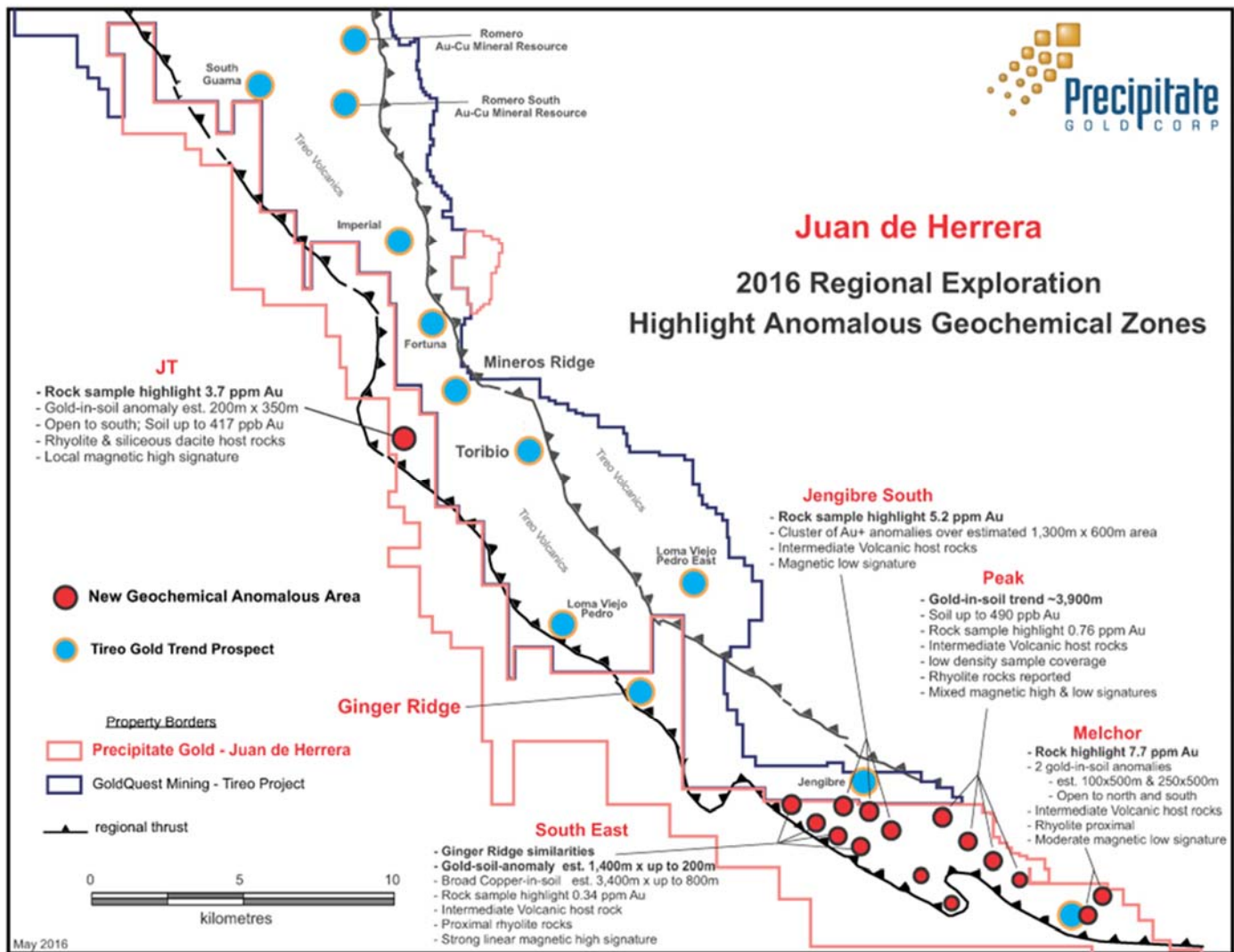
Precipitate is following the same steps that led to its Ginger Ridge discoveries and helped uncover additional discoveries at **GoldQuest Mining's (GQC-V; \$0.29)** neighbouring claims. I expect PRG will have crews back in the field quickly now that it has several specific areas to advance with more systematic mapping and soil surveys and trenching in advance of IP geophysics and, if warranted, drilling.

The current program yielded five new high potential areas for follow up. The most interesting appear to be the South East, Melchor and JT zones though all five sound like they have some potential.

The **South East Zone** seems to have the most similarities to Ginger Ridge Zone, including similar host rock, a strong linear magnetic high reported from last winter's airborne geophysical program, nearby rhyolitic rocks and a linear multi-element soil geochemical anomaly. The zone's gold-soil-anomaly measures 1,400 metres by up to 200m wide, with a coincident and broader copper-in-soil anomaly measuring about 3,400m by up to 800m. This is a large target area to start with and it sounds a lot like Ginger Ridge itself. The South East zone is part of a large regional trend that includes Ginger Ridge, GoldQuest's Loma Viejo Pedro and PRG's new JT prospect.

The **JT zone** is the northern end of the trend and has good access. This area yielded two gold in soil anomalies with values to 417ppb gold in soils and 3.7 g/t gold in rocks. The **Melchor** area is nearby and down slope from the eponymous Melchor discovery made by PRG personnel in the past at the SE end of the Juan de Herrera project. Work during the current program identified two gold-in-soil anomalies approximately 100m by 500m and 250m by 500m, open to the north and south. Like other targets in this update Melchor is underlain by the same lithologies as the discovery areas elsewhere in the Tireo camp.

All in all, I'm pleased with the results. PRG efficiently cut down a large target list to a manageable number of higher priority areas that fit into major developing trends in this rapidly advancing gold camp. I expect PRG will get crews back in the fields ASAP to further refine these targets in advance of IP surveys and possibly drilling. GoldQuest is busy with similar work and I expect the two companies will be drill testing several new areas before 2016 is over.



I make no secret of my bias when it comes to Precipitate and I do not rate the stock because of it. My late brother David and I are among the founders of PRG, I've been a buyer of most of its financings and I'm a large shareholder. Like other companies that struggled to advance projects during the bear market PRG got little love even though management made a bona fide discovery at Ginger Ridge. The discovery hole there -which still needs to be followed up - reported **18 metres grading 4.5 g/t gold including 5 metres grading 13.8 g/t gold** within a 98 metre intercept of massive and semi massive sulphides. That is the sort of hole that gets traders scrambling to buy in a bull market but elicits yawns during a bear. Management made the frustrating but correct decision to enlarge the project, improve the Ginger Ridge target and look for other new targets while still maintaining a very good share structure. Larger share holders like me agreed with the decision in the hope our patience would be rewarded in a better market. That better market is here and Precipitate is again accelerating work in order to set up for another drill program. I have high hopes for these new targets but I recognize that whatever they yield, PRG already has a discovery hole to follow up, in a much more receptive market. Doesn't take much imagination to guess which side of the trade I'm on.

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

Regards for Now  
Eric Coffin

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