

**Precipitate Gold (PRG.v, PREIF)** is an explorer with several projects in Dominican Republic, which just had an election (July 5) that was very favorable for mining. The previous President was holding up development on his own accord and specifically development at Goldquest Mining's 2.5M oz Au-eq Romero project, which Agnico Eagle invested \$24M into. Precipitate's Juan de Herrera project is adjacent to that project. So they were stuck, until now.

In the meantime, with the country out of favor, Precipitate acquired the Pueblo Grande project, which surrounds Barrick Gold's Pueblo Grande Mine, for only \$25K. Later, they optioned the project to Barrick who must spend \$10M over 6 years. Finally, Precipitate owns the Ponton project which is 20km East of Pueblo Grande. They want to drill both Juan de Herrera and Ponton.

The company has a market cap of US \$26 Million, with C\$2M in cash. The stock was a lot cheaper a few days ago.

I've known CEO Jeff Wilson for a few years and personally like him because he's a straight shooter. I initially surmised as much from watching a few presentations. He's never pitched me on the story. I sought him out a few days ago.

The company has been around for a while yet only has 105M shares out. Plus, they acquired a project for nothing and optioned it to a major. They also acquired their own drilling equipment from a company that went bankrupt (likely due to the past President's shenanigans). So it's clear the company has been well managed.

The two big positives are 1) two majors have invested significantly in the country and 2) the politics went from a roadblock to favorable. I should note that Barrick's Pueblo Grande Mine produced 590K oz Au in 2019 at cash costs of only \$471/oz. It's a world class mine.

After last week's 48% gain, the stock is not super cheap considering the lack of drill results.