

Transcript of initial interview with Ms. Nicole Brewster



President & CEO at Renforth Resources Inc.



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Ms. Nicole Brewster – President and CEO. After spending some time in the capital markets world, Ms. Brewster joined a successful exploration contracting business, active in several countries and on several projects. Those included, amongst many others, supporting and executing the Ring of Fire chromite discovery programs and participating in the re-opening of a mine and associated brownfield exploration in the pyrite belt of southern Spain. Personal focus in logistics, project support and execution on time and on budget, corporate development and functioning as a modelling technician in Gemcom and Datamine form the expertise brought to bear in Renforth. From a significant shareholder in Renforth to President, Ms. Brewster's over-riding motivation began as, and continues to be, to unlock the value of the Company's gold projects.

Smallcaps Investment Research: Welcome everyone and thanks for tuning in to another interview on Smallcaps Investment Research. We're thrilled to sit down with Ms. Nicole Brewster, the President and CEO of Renforth Resources Inc. Renforth is a mineral exploration company that focusses on easily accessible Canadian-based gold projects. The Company is listed on the Canadian Securities Exchange with ticker symbol RFR. Nicole, thanks so much for joining us today, welcome.

Nicole Brewster: Thank you for having me.

Since this is our initial interview, can you give us an introduction of Renforth Resources?

Renforth is a very active junior exploration company moving towards being a development company. We are proud to hold five wholly-owned gold assets concentrated in Quebec and one in Ontario, Canada. We currently have approximately 180 million shares outstanding and we trade with a good degree of liquidity.

Let's go over your projects into more detail. The first three that I want to discuss are all situated in the heart of Canada's gold country, the famous Cadillac Break. The first project is New Alger. Would you describe this project for us?

New Alger covers approximately 1.4 kilometers of strike of the Cadillac Break and the entire strike is mineralized. It is all gold-bearing, from the surface down to our current deepest pierce point of 404 meters.

There are a few interesting things to note about New Alger. The first is that we identified a secondary occurrence of the Cadillac Break on the property situated about 250 meters south of the mine area. We stripped 270 meters of gold on the surface at that secondary occurrence.

That is an interesting setting because it mirrors the setting of the famous Canadian Malatric Mine in the Pontiacs which is intrusive and gold. We have the same, gold in the Cadillac Break and gold associated with intrusives in the Pontiacs.

Another interesting thing to note about New Alger is that approximately 800 meters of the Cadillac Break portion hosts the historic Thompson Cadillac mine. This mine was last active just prior to the Second World War. In fact, the war shut the mine down. It had been operated by erratic ownership groups in the 1930s and it produced a total of 21,000 ounces of gold out of only a couple of mined galleries leaving gold underground as noted in the records of the time.

What is interesting is that the former Thompson Cadillac mine sits on the Cadillac Break and it had two shafts. The deepest shaft was only 343 meters. Mine records of the time indicate that there was gold quartz veining in the floor of that shaft. The key point is that shaft is only about 850 meters away from the westernmost shaft of the historic O'Brien mine, which is the next door historic mine. What this means is that we are sharing the same vein structure.

In the case of the O'Brien mine the shaft went down to 1100 meters and it was mined up to 1500 meters. They mined more than

half a million ounces out of O'Brien largely in the vicinity of that shaft and shafts further east.

We share the structure but our maiden resource started at the surface and only went down 200 meters. We are currently restating and re-working our resource estimate. I expect that by the end of this year we will be publishing an optimized pit constrained gold resource. This could point to a potential open pit scenario on the Cadillac Break.

Is the New Alger deposit open for expansion?

It sure is. New Alger is open on strike. As aforementioned the entirety of the strike, the 1.4 kilometers is gold-bearing. The maiden resource estimate really did not cover the entirety of that strike. In addition, it is open on depth as well. Like I said the deepest pierce point currently is 404 meters. Therefore, we can consider the Cadillac Break mineralization open on strike and on depth.

However, what is really exciting in terms of potential, is the secondary discovery vein we have stripped to over 270 meters. It is also gold-bearing. The previous explorers drove a tunnel south. They did some development work under the discovery vein but we have no record as to what they found. Except in the tunnel on the way, they noted 50 grams per ton of gold over a foot and half. Obviously, this is historic data but nonetheless interesting.

How do you see New Alger developing the coming quarters?

As we speak today, we are mobilizing a drill to the property. We have not drilled New Alger since January of 2015 because we were concentrated on earning a 100% interest in the Parbec property. Thus we are going to do our first drilling there in several years and we will get an updated resource number for New Alger by the end of the year.

I expect the results of the resource update will support additional drilling to continue to increase the open pit potential. I also expect

it will look like the very beginning of the permitting and the consultation process towards realizing an open pit at New Alger.

Your second property in the Cadillac Break is called Parbec. Also this one already has a very attractive mineral resource right?

Parbec is our most developed resource property, as it has been our focus since we optioned the property in January of 2015.

We now own 100% of Parbec like we own a 100% of all of our assets. However, Parbec has the more attractive resource which we are currently also updating. The previous resource estimate found close to 700,000 ounces of gold sitting at Parbec, most of which is near the surface.

Can you shed some light on the work that has already been conducted at Parbec?

The 2018 resource estimate only covered about 800 meters of strike of a total of 1.8 kilometers of the Cadillac Break at Parbec. What we have done since, is drill the entire 1.8 kilometers. We know that it is gold-bearing across its extent but that it is not yet fully realized in terms of resource numbers. Therefore, there is significant potential to add ounces on strike.

At Parbec, we have also defined an additional body of mineralization in the volcanics to the north of the Cadillac Break that strikes over about 500 meters. Moreover, in the northwest portion of the property we discovered a splay of the Cadillac Break going into the sediments south of the Cadillac Break again. This splay is associated with gold mineralization which we see on the surface and at some depth as well. This area will also be the target of additional exploration. To sum up we have three avenues to add mineralization.

Finally, supporting further potential is the fact that Parbec is contiguous to a historic mine called East Amphi. Canadian Malartic, the current owner, disclosed they would like

to start an open-pit mine. Parbec is a continuation of that same mineralization.

What are your plans at Parbec for the next 12 months?

As I mentioned, we expect an updated resource estimate for Parbec in December of this year. We will take that in hand and then we will drill based on the results. We will also be pursuing additional thin section work to further refine our lithologies, and we will do some metallurgical work at Parbec in the next 12 months.

In close proximity to Parbec is the Malartic West property. Can you give us some more information about this project and your plans for it?

Malartic West is located south of Parbec. An exciting part of Malartic West is in proximity to the Cadillac Break. However Malartic West is a large property and it stretches to the south. It marks the entire western border of the Canadian Malartic mine property. It straddles the sediments and available geophysics show us that in the south there are structures that are shared between the properties and structures that are unique to Malartic West.

We know Malartic West is gold-bearing. It has been sampled on the surface in the south as well as drilled. The same goes for the northern part of the property. We have seen the zinc numbers come off the southern portion of Malartic West, but do not have any follow-up yet.

What is really exciting though is that we recently have made a copper-silver discovery at Malartic West. It is a shear zone in the north, fairly close to the Cadillac Break.

Then in the southern portion of Malartic West we do have a large low grade gold occurrence associated with one of the intrusives in the sediments. We have to do more work, however, it should be clear there is an exciting potential to have a large low-grade deposit, because we are next door to Canada's largest open-pit gold mine.

However, we are under snow at Malartic West now, so we won't be doing more fieldwork there until next spring or summer.

The final property that I would like to cover is Nixon-Bartleman, which has quite a long history. Would you describe the history and the potential of the project for us?

Nixon-Bartleman is part of the West Timmins mining camp, a relatively new mining camp in Ontario. The property was discovered in the 1920s. There was also a small open pit on the property sometime in its history, probably in the 1930s. We have historic records with some very impressive gold numbers, which were drilled and surface sampled on the property.

When our geologists were on the property, before we optioned Parbec, we discovered more quartz veining that also carried gold, parallel to the historic quartz veining.

Furthermore, we managed to carry the structure through a very interesting fault on the property. Nixon-Bartleman sits on top of the Destor porcupine fault, the main gold bearing structure. However, there is a significant cross fault running through the property. People familiar with quartz gold occurrences know that makes it very interesting.

To conclude, Nixon-Bartleman has been around for quite a while. It has seen some small-scale hand-dug mining from the surface and we are quite excited to conduct some more work there.

Despite the tough commodities markets that we faced the past few years, Renforth has always been able to raise sufficient funds to continue developing its projects. Can you share a bit more about your Company's financing activities and its shareholder structure?

We have benefited from having a very broad retail shareholder base. We have been

consistently able to raise money from this base. Recently, a first investment fund took a position in Renforth.

Other major shareholders include myself. I do not get paid in cash, instead I accrue on the balance sheet and get paid shares once a year, as does our CFO who is also a fairly significant shareholder. I am also associated with the consulting company that is a very large Renforth shareholder. Finally, we have three publicly traded companies with significant positions.

About 60% of our outstanding shares are held by not more than two dozen parties. Thus, Renforth shares are fairly tightly held.

Can you tell us a little bit about yourself and the other key executives of the Company?

I grew up in the world of mining because my father is a worldwide exploration geologist. It is something I understand, and I have known about since I was a little kid. That is my personal. The way I became involved in Renforth, was through my work as an exploration contractor. I worked in a boutique firm that provides exploration, geological drilling and other services. My expertise is based on some of the computer exploration stuff, logistics, and corporate development.

Other key executives include our CFO who works for many Canadian publicly traded companies, wealthy families and certain US entities as well. On our board, we have several working engineers. We have a retired British finance executive. We have a practicing Canadian accounting executive who is a partner in a firm and sits as Chair on our audit committee, and we have a geologist/geophysicist who has a long and worldwide respected career. I think it is clear we are fairly broad and deep in terms of talent.

Nicole, as you just indicated, you have already been involved in the mining industry for many years. So that makes me very curious to find out your view on

the gold market. How do you see it developing in the coming quarters?

This is probably going to be dated as soon as it comes out of my mouth, but I see the gold market being fairly positive in the coming quarters.

I am a gold believer. It has not been a popular thing to be for a while, but I remain one. The market is calling for \$1600 gold at the end of this year now. I do not know whether we will quite get there, but I do see gold going higher.

That being said, I do not think gold is trading or behaving on the basis of anything it has ever done before. I think we are in a new territory. The ability to trade paper gold as opposed to physical gold is causing a lot of "noise" in the market. Physical delivery still attracts a premium, in Asia at least.

I do not think our current trade issues and economic gyrations between the US and Asia, will end well for the US. I think one of the biggest detriments to the price of gold has been the faith and the unwavering belief that the US dollar is unassailable. I think we are going to see the US dollar ultimately suffer.

This is a very contrarian thing to say given that the market today is setting new highs, but I do think we will see gold appreciate. Nobody has any claim on it. In a lot of parts of the world where there is a lot of unrest, gold a very real thing to have. Something that is absolutely immutable.

Before we go, what would you say are the two or three most compelling reasons for a long term investor to consider Renforth Resources today?

A long term investor is probably going to look at the fact that we have blue sky opportunity in terms of ounce potential on Parbec and New Alger. When we publish our optimized resource reports, there will be ounces outside of the pits that will come into the picture with further drilling. We also have depth and strike potential on both properties.

There is also a strategic reason to own Renforth. Major gold production companies need to replace the ounces they mine. However, they have not been making any effort to do that for a while. So I do think that's going to become another interesting reality for gold exploration companies. We believe our company is well-positioned for this with wholly-owned prospective assets in established mining jurisdictions where you have the security of law.

In addition, our properties are in a location where we can toll mill our mined ore. We do not have to build mills. We can just custom mill anything we take out of the ground. These are significant savings to anyone who might acquire any of the assets.

The last potential reason to own Renforth would be the fact that we are moving towards building mines, without building mills. I am not sure we will get to build a mine before the potential becomes obvious to a possible M&A partner, but we are going to go down the path of opening mines. Therefore you could be purchasing shares in what will be one of Canada's gold mines.

Fantastic. Nicole, we really appreciate the time you've taken to speak with us today. All the best to you and Renforth Resources, and I look forward to speaking with you again soon.

Perfect. Thank you very much.

Interview Feedback

We welcome your questions and feedback regarding this interview at: <https://smallcaps.us/ceo-nicole-brewster-shares-promising-outlook-for-renforth-resources-gold-properties>

Transcripts are edited for clarity.

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Contact Smallcaps Investment Research

Twin Squares
Culliganlaan 1
1831 Brussels
Belgium
Tel. +32 (0)2 808 58 41
E-mail: [contact page](#)

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