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Basic Materials Rally - USAU and ALXDF Provide Exploration Updates

BY SMALLCAP NETWORK

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Can you believe it? We can. These markets just continue to go higher and higher with no clear end in sight. However, the guys over at [Elite Opportunity Pro](#) have suggested these markets "could" potentially reverse once the S&P 500 achieves 2,500. That's an extremely speculative call for sure, but they have been very good on several occasions over the years calling short-term reversals.



It's not the if - just the when, so we continue to eye other aspects of the markets for a little more defensiveness once the major averages have had enough.

The major averages got a big lift yesterday on a sharp run-up in basic materials - something we've been talking about here. Will it end up putting a bottom in gold? We'll find out soon enough, but we did get some exploration updates from a few of our junior miners yesterday, and then again this morning.

First, [U.S. Gold Corp. \(NASDAQ: USAU\)](#) was in the news yesterday. Investorideas.com, a global news source covering leading sectors including mining stocks, released a snapshot of two gold mining companies that have acquired property in the Gold Bar area of Nevada, both North and South and the potential at stake for US Gold Corp. (USAU) and McEwen Mining Inc (MUX).

According to a report in Science Daily that looked at a model for how Nevada gold deposits formed, "This Nevada gold boom started in 1961 with the discovery of the Carlin gold mine, near the town of Carlin, at a spot where the early westward-moving prospectors missed the gold because it was too fine-grained to be readily seen. Since the 1960s, geologists have found

clusters of these "Carlin-type" deposits throughout northern Nevada. They constitute, after South Africa, the second largest concentration of gold on Earth."

A rising player in the Nevada gold play, US Gold Corp. (USAU) announced earlier in July that it had completed the acquisition of the Gold Bar North (GBN) mining claims. The Gold Bar North Property consists of 49 unpatented lode mining claims in Eureka County, Nevada. The only financial obligation required to maintain these claims are the annual federal and county fees.

You can read the rest of their PR here: <https://finance.yahoo.com/news/significance-gold-bar-acquisitions-us-113000285.html>.

Then, just this morning, the company provided an overall update on its Copper King property located in the Silver Crown mining district of southeast Wyoming, approximately 20 miles west of the city of Cheyenne, on the southeastern margin of the Laramie Range. The property comprises about 1,120 acres that include two Wyoming State Mining Leases covering the S 1/2 Section 25, NE 1/4 Section 35 (lease# 0-40858), and all of Section 36 (lease# 0-40828), T14N, R70W, 6th PM, Laramie County, Wyoming.

Investment Highlights Included:

- A base case summary of the historic Preliminary Economic Assessment (PEA) indicates that Copper King will generate Net Cash Flow of \$273.7 million and has a NPV of \$159.5 million*
- The Copper King Project enjoys an ideal geopolitical location in mining friendly Wyoming; the state has been very supportive of US Gold Corp's efforts to advance the project
- Historic reports indicate potential to expand the project beyond its current scope
- A June 2017 survey suggests an obvious northwest extension, which U.S. Gold Corp. considers a prime additional exploration target
- U.S. Gold Corp. is conducting detailed geophysical studies to confirm the northwest extension target, after which the company intends to develop drill targets, followed by an exploration drill program expected to commence in Fall 2017

*Assuming \$1,100 per ounce gold price and \$3.00 per pound of copper and a 5% discount rate.

You can read the PR in its entirety by going here: <https://finance.yahoo.com/news/u-gold-corp-provides-2017-124500376.html>.



Although the stock still continues to drift a little in both directions, according to an August 24, 2012 updated technical report, prepared in accordance with National Instrument 43-101 by Mine Development Associates ("MDA"), the Copper King Project contains 59.75 million tons of measured and indicated mineral resources with average grades of 0.015 ounces/ton Au and 0.187% Cu, containing approximately 926,000 ounces of gold and 223 million pounds of copper.

That's nothing to bark at considering those stats, so assuming the company can generate anything remotely close to the above report's findings, USAU has the potential to be a big winner someday.

Also in the news this morning was **Alexandria Minerals Corporation (OTCBB: ALXDF) (TSX: AZX.V)**, which announced assay results from nine step-out holes completed as part of its Winter-Spring drill program at Orenada Zone 4 in Val-d'Or, Quebec. These exploratory

holes, which are the first-ever holes to test the area west of the Open Pit at Zone 4, extend the length of the near-surface gold vein system to 1,100 metres.

Here's some highlights from their PR this morning:

- Results validate the continued upside potential for new discovery as Alexandria's drill program expands;
- Confirmation that this gold vein system continues in the west is provided by the solid assay results from first-pass, widely-spaced holes west of the Zone 4 Open Pit;
- High-grade assays, including 375.00 g/t gold over 0.45 m, 8.91 g/t gold over 0.8 m, 7.87 g/t gold over 1.00 m, were intersected between surface and 250 metres depth in five of the nine holes;
- Near-surface intersections, such as 1.10 g/t gold over 42.15 m, also attest to the continuing expansion of Zone 4 style gold mineralization to the west;
- First-ever positive gold assays, up to 6.76 g/t gold over 1.0 m, in granitic rocks adjacent to the Cadillac Break, identified over 250 metres of length, also show potential in the rock type for new discovery.

Eric Owens, President and CEO of Alexandria, stated, "Ongoing exploration results like these continue to support our belief that the resource expansion potential at Zone 4 is exceptional. We have now significantly increased the footprint of the gold veins at Zone 4 from about 700 metres long at the beginning of this year, to 1,100 metres long. We anticipate further growth with our current 30,000 metre summer drill program, which encompasses both Zone 4 and the west exploration area, as well as Zone 2, some 800 metres east of the Zone 4 Open Pit."

To read the entire PR, just go here: <https://finance.yahoo.com/news/alexandria-minerals-expands-near-surface-130000556.html>.



You can see here the stock continues to garner quite a bit of interest from gold bug investors - and it's not for nothing - as you can read in the company's update this morning, Alexandria Minerals' Management appears to be greatly encouraged by what they continue to find in these preliminary reports.

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Alexandria Minerals Corporation (ALXDF)

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