

Struthers Report V25 # 7.0

Crystal Lake, CLM

May, 13, 2019



Know when to hold-em!
Know when to fold-em!
Know where to set stops!
Know when to run!
Never count your portfolio
Until the sells are done..

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Yearly subscription US\$249

Crystal Lake Mining TSXV:CLM OTCQX:SIOCF

Recent Price \$0.35

Shares Outstanding 87.7 million approx.

It is the time of year when action heats up in the B.C. Golden Triangle and the Yukon. We made a small fortune on the discovery with Garibaldi TSXV:GGI as the stock soared from 25 cents to \$5.00.

There is a similar opportunity to do this again with CLM, maybe not \$5.00 but a move over \$1.00 would not surprise me. I have been following the company for about 1 year as it is headed up by Richard Savage who I have known for about 25 years. Richard has a solid track record of being involved with big winning stocks and as CEO of Crystal Lake, I believe he will bring his magic touch to CLM's stock. It is worth noting that Richard was also into Garibaldi early on as well. Richard put an excellent management team in place, I highlight a few below and you can [learn more here](#).

CLM acquired an excellent project in the Golden Triangle last September from Romios Gold (TSXV:RG). Romios held the property through the market downturn and did very little work on the project despite very attractive exploration targets. As some people put it, Romios was a lifestyle company, they raised funds and spent more on management fees, salary and office expenses than exploration. Romios did some sampling but never drilled the project.

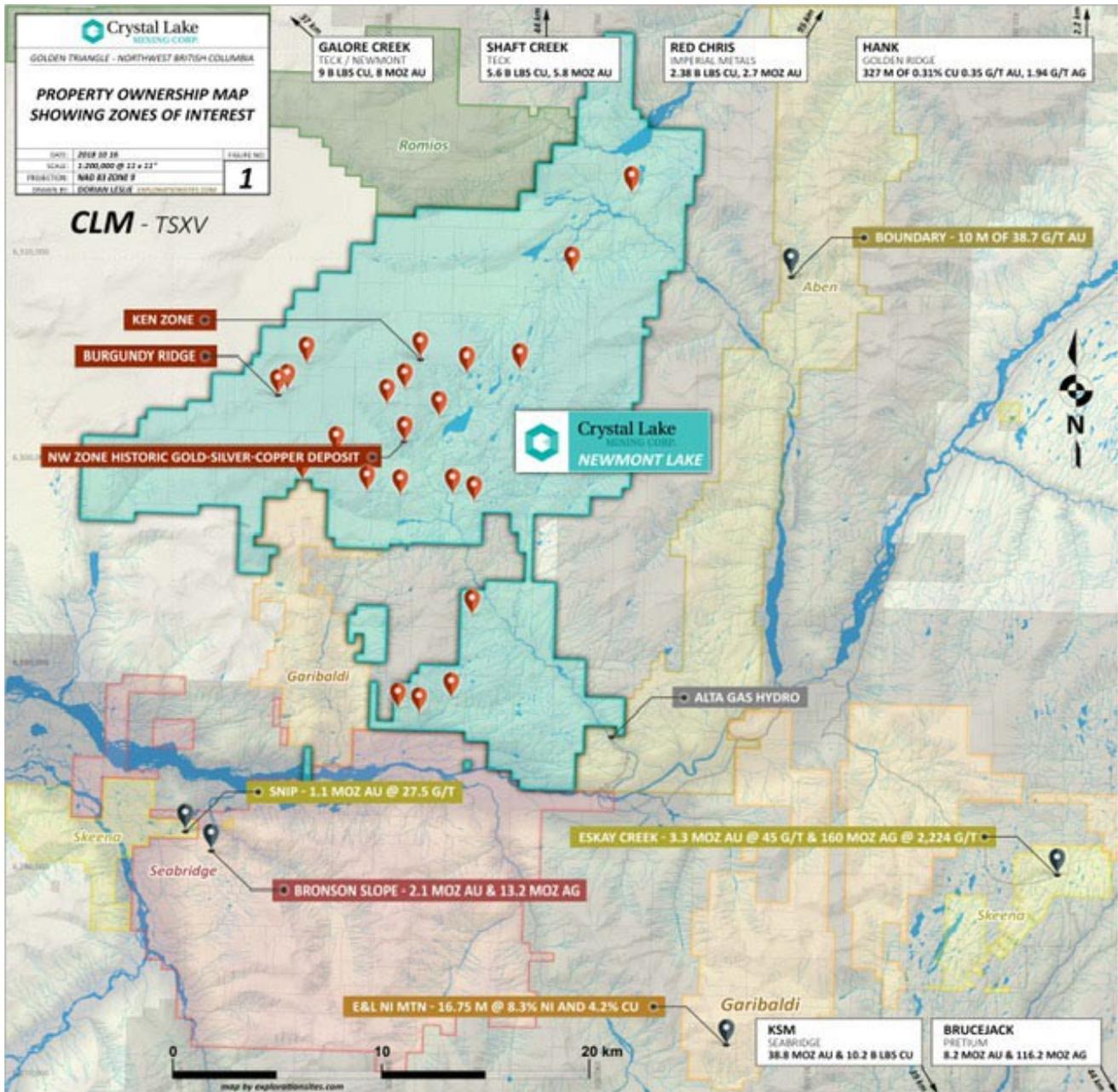
Management

Richard Savage President and CEO began his career as an Investment Advisor at Yorkton Securities (which became Richardson GMP) in 1988 and remained there 28 years. Richard was consistently one of the top producing advisors for many years. He was also part of Yorkton, one of the top mining and technology firms in Canada, and a member of Yorkton's Board of Directors 2000-2001. Throughout his career, Richard served and managed a diverse client base of over 2000 accounts and was responsible for raising funds for Initial Public Offerings, Private Placements, Capital Pool Companies.

Mr. Pitman B.SC. (GEO) consulting geologist has over 50 years experience as an exploration geologist. From 1969 to 1983 he worked for three major mining companies - Gulf Minerals, Union Miniere of Belgium and BP Resources Canada on a number of commodities. Since 1983 he has acted as a geological consultant to over 70 clients, providing a full range of services (geological, corporate, and administrative).

Dr. Peter Lightfoot technical advisor is a skilled geologist with significant experience in the minerals industry (Inco and Vale), the Ontario Geological Survey, and in academia. Peter holds responsibilities for technical aspects of exploration, research and development, strategic studies of the nickel market, and mentoring members of the geoscience team. Peter has been involved in greenfield exploration in Canada, Greenland, China, India, South Africa, Mongolia, Angola, Finland, Australia, and Brazil. He has also been involved in brownfield and near-mine exploration in Indonesia, Carajas, Sudbury, Thompson, and Voise's Bay. Peter also an advisor to Garibaldi and knows the Golden Triangle well.

I decided not to feature the company in the newsletter last year because they acquired the project late in the season, just a month or two before winter freeze up. Now the timing is right at the start of this year's exploration season and CLM just raised about \$4.6 million at 22 cents that will generate lots of exploration results.



This is an exceptional property with dozens of targets and large in size at 436 square kilometers. Another very important factor is the glacier retreat over the past several years has revealed many more out crops and targets. These are so prospective and staring one in the face that CLM decided to do a quick RC drill program near the end of the season last September. Four shallow RC drill holes for a total of 550 meters. It paid off, they hit copper, gold and silver on all four holes. The best was hole BRRC18-04 that intersected 58.5 meters from surface of 0.31%CU, 0.27 g/t Au and 1.41 g/t Ag. Down deeper at 118 meters they hit a 1.5 meter intersect of 2.6% copper, .03 g/t Au and 16.7 g/t Ag. The other 3 holes saw similar grades but shorter intersects. This program barely scratched the surface of just one of dozens of target at the project.



Burgundy Ridge Discovery Highlights:

- Final hole of program (BRRC18-004) cut 58 metres of 0.31% copper and 0.27 g/t gold, starting from surface, followed by a 1.5-metre interval grading 2.6% Cu from 118 meters to 119.5 meters;
- Each hole intersected copper-rich mineralization, with gold and silver, associated with intense and widespread skarn-style alteration of the multiphase intrusions and immediate host rocks;
- Evidence suggests that mineralization strengthens with depth;
- Drilling confirmed a previously unmapped and well-endowed intermediate intrusive phase consisting of pervasive chalcopyrite blebs and fine-grained disseminated bornite mineralization featuring five different metals - copper, gold, silver, cobalt and zinc.

Newmont Lake project highlights:

- Vastly under explored district-scale land package with multi commodity potential in the heart of the Eskay Rift;
- 22 documented mineral occurrences adjacent to the high-grade Northwest gold zone (historic resource), which is open for expansion;
- Major new infrastructure improvements in the region (roads, bridges, power, AltaGas camp) have enhanced access and will accelerate the discovery process.

The Newmont Lake gold system remains open in all directions. Most of the drilling was carried out three decades ago to limited depths (mostly less than 200 meters) while much of the drill core was not even sampled.

Historic intercepts include:

- **55 g/t Au, 40 g/t Ag and 0.97% Cu over 11 m (1987)**
- **21 g/t Au and 1.4% Cu over 8.4 m (1989)**
- **26.4 g/t Au and 21.3 g/t Ag over 14 m incl. 753 g/t Au and 462 g/t Ag over 0.44 m (2008)**

Dr. Peter Lightfoot, who also worked with Garibaldi is now a Crystal Lake technical adviser. This is his comments from last December, before drill results: *"Our excitement regarding this project has only intensified over the past two months. We're also eagerly anticipating assay results from a total of six reverse circulation drill holes completed by Crystal Lake during the last half of October at Burgundy Ridge and the Northwest zone gold system. In addition, extensive sampling was carried out by Romios's crews over parts of the project area during the summer. We look forward to presenting those results and looking ahead to 2019.*

"It's a rare opportunity to be able to advance such a prospective land package in the world's next great mining camp," Dr. Lightfoot concluded.

CLM can earn a 100% of the Newmont Lake project with \$8-million in exploration expenditures over the next three years (\$3-million in year one and \$2.5-million in each of years two and three).

2-million in cash option payments to Romios as follows: \$250,000 on signing of letter agreement (paid) and a further \$250,000 payable on each of 90 days, 180 days and 270 days following regulatory approval of transaction; a final \$1-million payment upon Crystal Lake earning its 100-per-cent interest

A total of 12 million shares of Crystal Lake will be distributed to Romios over a three-year period to four million each year, with the first four million shares issued following regulatory approval of the transaction (subject to normal hold period and a lock-up provision).

Financial

As mentioned above, CLM has completed a \$4.6 million financing on April 1, 2019 so is well cashed up for this exploration season.

Summary

This is a rare opportunity to participate in and exceptional property in the Golden Triangle that has witnessed very little modern or recent exploration.

The fact they hit on the first four drill holes at the end of last season, attests to the potential of this project. It is also very important to note that glacier retreat has exposed new fresh rock and glaring target that one can see right on surface. If CLM can duplicate some of the results noted above in historic drilling, this stock could see a dramatic run up in price. I would be very surprised if they do not come up with a lot of excellent exploration results this season/

There is a lot of similar players in CLM as Garibaldi and I expect they are into this stock for similar performance. I have a lot of confidence in the CEO Richard Savage to create shareholder value.

Now is the time to buy the stock before all the news flow comes out and it is still near its base on the chart. You can see below that a stage 1 base has been built between 25 and 35 cents over the past 6 months or so. A break out above 37 cents, which would also cross over the 200 day MA and will be a very good signal that the 1st up move is underway. It looks like this might be taking place this morning.



I currently own about 130,000 shares.

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