



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..

rhstruthers@gmail.com

519-374-9332

Yearly subscription US\$249

The year end weakness in gold will soon end and the bottom is already in. What I am looking for on the chart for confirmation is a higher high, above the \$1870 close on December 8th. This would also break the current down trend channel. It is also worth noting that the 200 Day MA is still trending up, indicating the long term up trend is still in place. It also provides support.

GCZ20 - Gold - Daily Candlestick Chart



Currently there are lots of gold stocks down in price and junior explorers more so. This is a great buying opportunity for many. I find tax loss selling peaks this week, as most want to settle their accounts for year end ahead of the holidays. Although Rokmaster has already started to recover from recent lows, it remains extremely under valued.

Rokmaster **TSXV:RKR** **OTCQB:RKMSF** **Recent Price \$0.36**
Entry Price \$0.17 **Opinion – strong buy, my top junior gold explorer for 2021**

Dec 8th RKR released a preliminary feasibility study for a High-grade underground mine comprising the main zone with 9.39 million tonnes averaging 4.24 g/t gold, 49.8 g/t silver, 2.62 % zinc, 1.63% (diluted), and the Yellow Jacket zone with 0.65 MT averaging 7.47 % Zn, 1.90% Pb, 43 g/t Ag and 0.06 g/t Au (diluted).

After-tax net present value 5 per cent of \$423-million and 29.5 per cent internal rate of return at \$1,561 (U.S.) per ounce Au, \$20.55 (U.S.) per oz Ag, \$1.07 (U.S.) per pound Zn and 91 U.S. cents per lb Pb.

The payback is only 2.6 years with life of mine all in costs of just \$842 (U.S.) per oz payable AuEq.

Revel Ridge has a 43-101 M&I resource of 1,283,000 gold equivalent ounces. This does not include expected additional resources for the current underground drill program and future ones. Based on results released so far, we can easily expect inferred resources to move to M&I and the overall size of the project can increase significantly. There are 1,015,000 ounces in the inferred category and for a ball park evaluation, I will use half of these with the M&I for a total of 1,790,500 ounces.

Considering the current financing RKR will have about 92.5 million shares out and at \$0.36 is a market cap of about C\$33 million. Less about \$10 million cash, currently this values each ounce at only C\$13 per ounce or US\$10 per ounce. This is **very very low** for an advanced stage project with good infrastructure, high grade, low costs and strong upside potential. Currently, **I think the stock should be valued at least 3 times higher, or around \$1.00 per share. That would be my near term target for Q1 2021.**

Recent drill results give me confidence that the resources will increase significantly.

Drill hole DDH RR20-11 was reported December 11th with assays of **5.09 g/t gold equivalent over 8.37 metres**. DDH RR20-11 conclusively demonstrates that significant gold mineralization exists external to the current resource area and remains open.

DDH RR20-11 intersected the RRMZ mineralization approximately 90 metres down dip from the last hole drilled on this sectional plane and, together with results of DDH RR20-12 (results to be released upon availability), suggests that, on this section, RRMZ mineralization forms a near-continuous mineralized sheet with a currently known down dip extent exceeding 600 metres. DDH RR20-11 samples were rushed ahead of other samples for assay to guide and delineate additional down dip stepout holes planned outside the defined current resource areas.

Assays are not reported yet for hole 12, but the above paragraph from the news release suggests they hit the zone **and would extend it to a whopping 600 metres down dip.**

Yesterday RKR announced a financing and I thought the flow through was attractive for anyone looking for a tax deduction for 2020. However it is already way over subscribed. I think it is important to see the quote from Crescat Capital Dr Quinton Hennigh, in regards to the financing.

Crescat Capital LLC has agreed to make a strategic investment in Rokmaster that will net the company \$2.75-million. Crescat will have an option to participate in future financings to maintain its interest in the company for a three-year period from the date of closing.

"Crescat is taking an activist approach to investing in the precious metals mining industry. Our goal is to identify and invest in a portfolio of big, high-grade discoveries in the hands of undervalued juniors where we can help unlock value. We are very impressed with the grade and volume of gold and silver as demonstrated in Rokmaster's recently announced news release dated Dec. 8, 2020, summarizing PEA results and the ability to increase the existing mineral resource on short order," said Kevin Smith, Crescat's founder and chief investment officer.

Dr. Quinton Hennigh is the technical consultant for all of Crescat's gold and silver mining investments. Dr. Hennigh is a **world-renowned exploration geologist with more than 30 years of experience** including with major gold-mining firms Homestake Mining, Newcrest Mining and Newmont Mining. Dr. Hennigh stated: *"Rokmaster's Revel Ridge project, main zone, displays geological similarities to several large, deep-rooted mesothermal precious-metal-polymetallic lode systems such as the famous Coeur d'Alene district in Idaho. The deposit displays consistent multimetre thickness and great continuity along strike, and, as recent drilling has demonstrated, at depth. While the current AuEq resources are a very good start, this style of deposit bodes well for significant expansion. Mineralization is clearly open along strike and at depth, and Rokmaster is making a solid commitment to aggressively expand the resource. Rokmaster has also recently addressed one of the biggest challenges associated with Revel Ridge, its refractory metallurgical nature, by demonstrating in its recently published PEA that gold-rich floatation concentrates can be treated on site with a modest pressure-oxidation circuit. We look forward to working with Rokmaster as they advance this remarkable deposit."*

I believe everyone should own some of this stock. RKR just acquired the project earlier this year and the story is not well known yet. I will also [start a topic in the \\$\\$Lounge](#) for those that follow the forum. There is a new uptrend on the chart after a solid base around \$0.25. The stock has made a higher high on good volume. Next resistance is around the \$0.45 old high and would not surprise me if we test this before year end.



Versus **TSXV:VS** **Recent Price \$17.00**
Entry Price - \$4.00 **Opinion – hold**

I hope many of you bought the stock or more of it with my [November 18th update to buy the break out](#). The stock has been a rocket launch since that time.

On Dec. 3rd VS signed a multiyear strategic alliance agreement with Sparx Technology Inc. to add Versus's patented real-world prizing platform to the Sparx Participation Platform -- a second-screen engagement tool used by global brands, events and teams from the National Football League, the National Basketball Association, the National Hockey League and Major League Baseball, and more. The Sparx platform also works with networks and broadcast TV clients including NBC, ABC, Disney and CNN. Sparx plans to use Versus's patented rewards and engagement engine to incentivize audiences and fans to play predictive, polling and trivia games either at home or in venue, before or during the live event.

The reason the stock is priced in dollars now, is because of a 16 to 1 roll back that took effect yesterday. I adjust our 25 cent entry price to \$4.00 to reflect this. I am normally not a fan of roll backs, but in this market they seem to be working better, I note Bam Bam TSXV:BBR as one recently. **However the important aspect with VS, they did this to qualify for a NASDAQ listing.** That is the best market for tech stocks and I have noticed a few Canadian techs that moved there from the Canadian Venture to NASDAQ, soared 300% to 400% in a matter of days. I am not sure if the stock price is anticipating this, but I am confident we see some sort of up move once on NASDAQ. Maybe the stock jumps to \$50??. Whatever, I think it is too early to take profits and we should see what the NASDAQ listing brings. I expect this sometime in Q1 2021 if all goes well. This chart is from May, the month we first bought VS.



(c) Copyright 2020, Struther's Resource Stock Report

All forecasts and recommendations are based on opinion. Markets change direction with consensus beliefs, which may change at any time and without notice. The author/publisher of this publication has taken every precaution to provide the most accurate information possible. The information & data were obtained from sources believed to be reliable, but because the information & data source are beyond the author's control, no representation or guarantee is made that it is complete or accurate. The reader accepts information on the condition that errors or omissions shall not be made the basis for any claim, demand or cause for action. Because of the ever-changing nature of information & statistics the author/publisher strongly encourages the reader to communicate directly with the company and/or with their personal investment adviser to obtain up to date information. Past results are not necessarily indicative of future results. Any statements non-factual in nature constitute only current opinions, which are subject to change. The author/publisher may or may not have a position in the securities and/or options relating thereto, & may make purchases and/or sales of these securities relating thereto from time to time in the open market or otherwise. Neither the information, nor opinions expressed, shall be construed as a solicitation to buy or sell any stock, futures or options contract mentioned herein. The author/publisher of this letter is not a qualified financial adviser & is not acting as such in this publication.