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Goliath Resources

August 24, 2019

You've GOT to be kidding me – over 700 meters of sulphide mineralization starting at surface and remains open



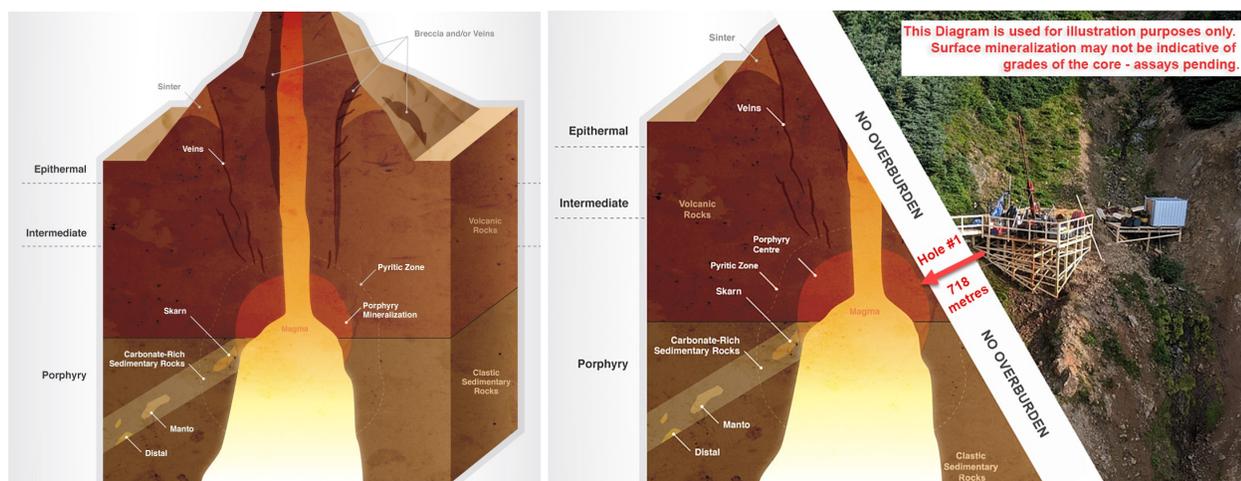
GOLIATH
RESOURCES LIMITED

- Goliath Resources; GOT in Canada, GOTRF in US, B4IE in Germany
- Announced its first inaugural drill hole into a new, large porphyry target – widespread sulphides from surface down to 718 meters and still open
- Drilled in an area where hard rock samples taken from the exposed porphyry center, stockwork and veins at surface that graded up to 2.95 g/t gold, 133 g/t silver, 4.5% copper and 0.34% moly.
- Second hole down to 135 meters with similar disseminated sulphides from surface and throughout the hole. A third hole is planned after completion of second hole.

Summary

In mid-January of this year Goliath management announced that chip and grab sample assay results, in conjunction with detailed mapping by a porphyry expert, had confirmed a large outcropping area of gold, copper, and molybdenum mineralization, as part of a porphyry center now called the large scale Lorne Creek Porphyry Discovery. This massive 1,200 by 700 meter alteration system is at the headwaters of the prolific Lorne Creek placer gold producer, where 13,271 troy ounces of placer gold was historically produced with up to 1.5 oz nuggets. They announced then that a drill program would be scheduled for July 2019.

Fast forward to this past week when on August 15th the company announced that *“Based on the project geologist’s recommendations, the first drill hole was extended to a depth of 718 meters to the maximum depth capability of the drill rig being used, the system remains open. From the surface to a depth of 718 meters, the core from hole one contains widespread sulphides, including key alteration, textures and geologic units consistent with a porphyry system”*. See <https://goliathresourcesltd.com/wp-content/uploads/2019/08/August-15-2019-718-Metres-Drilled-At-Lorne-Creek-Porphyry-System.pdf>.



As seems to be all too typical lately with trading in the shares of junior exploration companies, the share price of Goliath remained flat for four trading days after the announcement. Only in the past few days has the share price and volume started to increase trading over 15 million shares this past week. Call it shock, summer doldrums, or just plain ignorance on the part of junior exploration investors since you just don't see over 700 meters of wide-spread mineralization starting at surface in a porphyry environment with insitu hard rock samples of gold, silver, copper and moly and still open.

However, investors are beginning to wake up. The shares traded up to \$0.145 this past week and closed at \$0.115 on Friday, up from \$0.08 on the day of the announcement giving the company a still tiny market cap of only \$12 million based on 110 million shares outstanding.

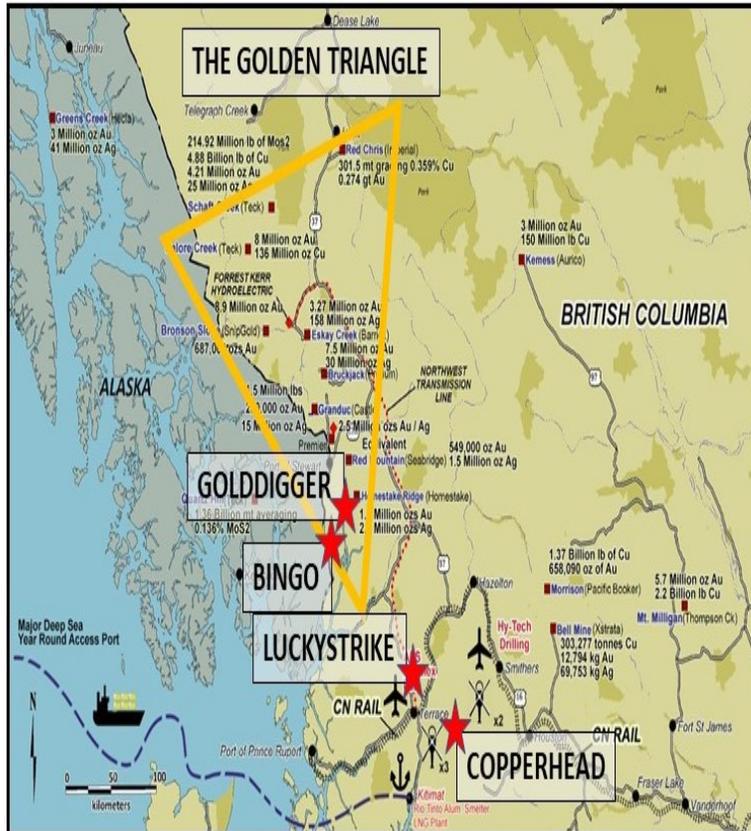
As you may recall I did recommend another company that many of my readership managed to make a pile of money on when it was only a \$13 million market cap company at the end of 2016, it was GT Gold Corp (GTT on the TSXV) saying it was *“A Stock Every Canadian Junior Resource Investor Needs to Own for 2017”*

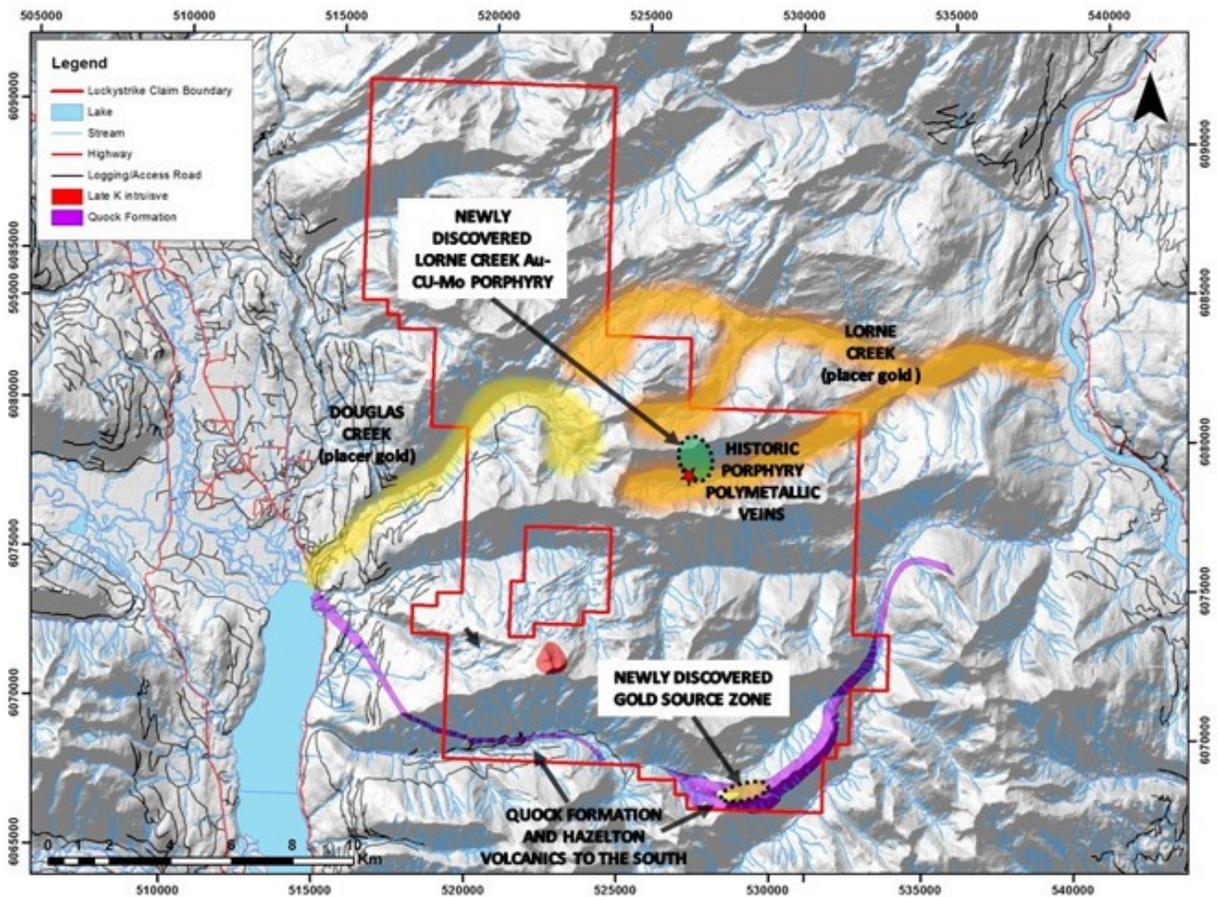
<http://statesidereport.com/wp-content/uploads/2019/05/GT-Gold-The-One-Stock-Every-Jr-Investor-Needs-to-Own-for-2017.pdf>. When GTT struck gold and announced assays on their first few drill holes the stock went from \$.20 to up to \$2.76/share for a 10-bagger from the share price of \$.21 when I issued my initial report December 2016. There is no reason history can't be repeated here on a similar type of new large scale discovery when GOT announces updates on their drilling progress as major catalyst #1, and assay results from their first drill hole of 718 meters as a second major catalyst #2 to be on the lookout for.

The company is currently drilling the second hole, and as of the date of the discovery press release, it had gone down to 135 meters with porphyry textures, alteration and widespread sulphides again starting right at surface and throughout the hole.

A third hole will be drilled after the completion of the second hole. The first hole was drilled due north, the second hole is being drilled to the northeast and the third hole will be drilled to the northwest, all from the same drill pad.

The Lorne Creek discovery is part of Goliath's Lucky Strike property located just south and outside of the Golden Triangle of British, Columbia Canada. The Lucky Strike property covers 31,511 hectares and has logging road access. It is within a few kilometers to a major highway, power, rail and only 40 kilometers north of major infrastructure and skilled workforce in Terrace BC. The property resides within the Skeena Arch, a belt-scale structural corridor associated with significant copper-moly porphyry and related mineralization. The find such a rare beast of Au-Cu-Mo in this district would explain why Lorne Creek has so much placer gold in it.





At the beginning of the year and up through today, President Roger Rosmus and team have done an outstanding job of not only explaining the potential of the new and large scale Lorne Creek Au-Cu-Mo Porphyry System discovery, but also showing the visuals of what they are seeing out in the field with the drill core. Below are videos and “In the Media” attention that provide a really strong background on the company and project as well as the drilling of the first drill hole:

*August 21, 2019 – Bob Moriarty 321 Gold on Streetwise Reports, Goliath Drills a 718-Meter Porphyry <https://www.streetwisereports.com/article/2019/08/21/goliath-drills-a-718-meter-porphyry.html>

“Goliath was an advertiser before but is keeping all their cash for the drill program so are not currently an advertiser. Based on what seems to me to be an excellent start to the drill program, I have gone out into the market to buy shares I am biased. They are doing an excellent job of communication so I would encourage any potential investor to spend a lot of time researching the company and the project.”

*August 21, 2019 – Andrew O’Donnell Super Charged Stocks, Goliath Resources Update <https://www.superchargedstocks.com/post/goliath-potential-news-release>

“I am not a geologist so my thoughts and comments on the core are not relevant, but I do know that geologists do not step out in front of results with comments useless they are confident. They are not a promotional bunch. Geologists are conservative and risk their entire credibility and career if they are promotional so care is taken when they make a public disclosure. But some people are wondering if it looks similar to the core GT Gold pulled.”

*August 18, 2019 – Mario Drolet MI3, “DRILLING FOR MONSTER PORPHYRY SYSTEM IN BC” - https://goliathresourcesltd.com/wp-content/uploads/2018/03/MI3.TN_.GOT_.aug_18-2019.pdf

A video of the discovery hole # 1 – August 2019: <https://youtu.be/pCLK1oJ0IQs>

A video at the core shack with Dr. Leon Daniels a personal friend of the Rogers’ and special advisor describing the core, what they are seeing coming out of the ground at https://www.youtube.com/watch?v=TABh_YDxoMo&t=16s

This past spring at the 121 Mining Investment conference in London, UK: <https://www.youtube.com/watch?v=1ajhbAjOCE0&t=15s>

Below are a few pictures and descriptions of the core by the Company’s QP and as seen on the GOT’s website by clicking the tabs near the bottom of the Lucky Strike page under “Projects”: <https://goliathresourcesltd.com/projects/lucky-strike/>



Whiter patches are quartz veins with irregular edges. The quartz concentrations contain very irregular yellow patches of chalcopyrite. On a separate note, check out the boxes of core in the background.

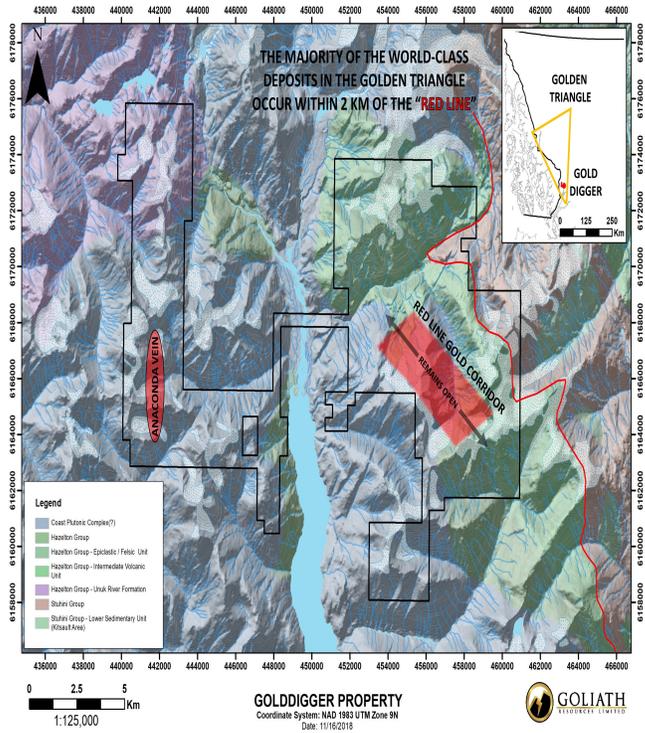


Intensely silicified rock and chalcopyrite in stringers, near top center



Pyrite stringer cuts the quartz veinlet, not the other way around. The blue colour far left and bottom center is likely molybdenite occurring with quartz along the fracture.

In addition to the drilling at Lorne Creek, the company plans a 10 day field program on their Golddigger property, in what they call Goldswarm. It's a newly discovered breccia zone discovery. Golddigger is 7 km west of the Dolly Varden project and within the "Red Line" where most of the large scale gold discoveries have been made in the Golden Triangle (i.e. Eskay Creek).



A video describing the project can be viewed at <https://www.youtube.com/watch?v=-sMewU4BS68&feature=youtu.be>

Previous sampling has included grades of up to 113 g/t gold and 249 g/t silver exposed at surface that have never been documented or drilled before. The plan is to add to the extensive data set already assembled and identify drill targets for the 2020 drill season.

Even though the share price has risen over the past few days it still sits more than 50% lower than its 52-week high from last August even after this possible large scale discovery. Exploiting market inefficiencies is one of the most tried and true ways to accumulate wealth. Lots of potential naked short selling going on...apparently a short squeeze is in the works, so look out!!



Near-Term Catalysts

- **We should be getting updates both on the second and third holes of this current drill program. If the company continues to visually see wide-spread mineralization in the holes a subsequent re-rating of the stock higher would be warranted.**
- **Assays from the first hole can be expected by mid-October giving plenty of time for speculation especially as we enter the more seasonably favorable period for both gold and the junior explorers which should also lead to higher volumes and a potentially higher share price.**

Vince Marciano
August 24, 2019



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