



# Golden Cariboo Resources Inc. (GCC:CSE)

## Restarting the Gold Rush in the Cariboo – Again

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 September 3, 2024. PLEASE REVIEW THE DISCLAIMER ON PAGE 24

### Investment Highlights

- ◆ Company led by a team that restarted the gold rush in the Cariboo mining camp of BC
- ◆ Quesnelle Gold Quartz Mine Project is located in a similar setting to Barkerville – a historical hard rock gold mine found by following placer creeks
- ◆ Historical gold + silver production from hard rock mines near Hixon confirms that the Cariboo Camp extends on trend +75 km north of Wells–Barkerville
- ◆ Recent drilling intervals of gold mineralization over 260m show potential for bulk tonnage targets on the project
- ◆ Visible gold in current drilling indicates potential for high-grade assays from mineralized targets
- ◆ Strike extension from historical mines to new drilling intercepts extends for over 1.0 km on trend
- ◆ Company funded to continue the 2024 drilling program.
- ◆ **Recommendation — Buy: for exposure to gold resource discovery in a Tier 1 jurisdiction as the market delivers record gold prices**

Key financial data (C\$)	Q1/2024		H1/2024	
Cash and equivalents	\$	202,630	\$	1,543,335
Working capital	\$	(625,593)	\$	1,290,451
Mineral assets	\$	819,500	\$	819,500
Total assets	\$	1,057,130	\$	2,405,667
Net income (loss) for the period	\$	(131,277)	\$	(1,085,211)
EPS for the period	\$	0.00	\$	(0.06)
Weighted average shares outstanding	\$	43,534,013	\$	17,717,665

Current Price (C\$)*	\$0.14
Fair Value	\$0.40
Projected Upside	286%
Action Rating	BUY
Perceived Risk	HIGH
Shares Outstanding	45,098,010
Market Cap. (C\$)	\$6,313,721
P/B	N/A
YoY Return	5.77
YoY TSXV Return	0%

\* Note: all \$ amounts are C\$ unless otherwise stated

GCC:CSE Price and Volume History



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## INTRODUCTION

Golden Cariboo Resources Inc. is a junior exploration company advancing its Quesnelle Gold Quartz Mine property in the Cariboo Mining District of central BC. The Company is conducting its 2024 exploration program, which includes drilling, surveys, and surface mapping, to better define the mineralization trend and controls. The Company is planning an ongoing drilling program of at least 2500 meters this season.

Historically, over 101 placer gold creeks on the 90 km trend from the Cariboo Hudson mine north to the Quesnelle Gold Quartz Mine property hold recorded production numbers, and successful placer mining continues to this day. The Quesnelle Gold Quartz property hosts the same characteristics along the Cariboo trend that developed into the Wells-Barkerville gold rush of the 1860s and is now being developed into a significant mining camp by Osisko Development Corp.

We are recommending the company as ...

## CATALYSTS AND TIMING

- ◆ Drilling and assay results showing significant grades or widths ([ongoing in 2024](#))
- ◆ Better define mineralization controls and trends ([ongoing in 2024](#))
- ◆ Completion of additional funding to continue work programs ([Q3 2024 and ongoing](#))
- ◆ Continuing gold bullion market price increases providing renewed interest in funding Junior mining exploration ([currently and ongoing](#))
- ◆ Market transactions in the junior mining space with projects or companies in the Cariboo region ([ongoing](#))
- ◆ Additional advancement on project and production results reported by Osisko Development on land adjacent to the Company's claim group ([second half to 2024](#))
- ◆ Results indicating gold in preliminary sampling on the eastern section of the claim group ([second half to 2024](#))
- ◆ Market engagement programs by the Company ([ongoing](#))

## WHY THE CARIBOO REGION OF BC?

The Cariboo is still an under-explored region in central British Columbia that had a significant impact on the development of Canada. The gold rush that started on the Fraser River was followed upstream to the creeks and hills of Wells, BC, to find the hard rock source of the rich placers. The current work shows that the gold source rock now extends north-south in trends along the length of several accreted terrains, and the current mining towns are formed where streams cross-cut these trends to produce placers. The recent work in the camp already outlined over 6.7 M+I million ounces in three deposits, and we, along with others, believe this is just a start for this camp.

Gold was discovered on the Fraser River in 1858, attracting seekers from around the world. Prospectors followed the gold upstream to a new area of rich gold-bearing placers in the creeks of the Cariboo Region. In 1861, a group of prospectors led by William “Dutch Bill” Dietz found gold in a stream named Williams Creek in his honour, as shown in Figure 1.

Figure 1: Williams Creek during the 1860s gold rush



Source: BC Archives

During the gold rush, approximately US\$50 million in gold was recovered from the placers of the Cariboo. The town of Barkerville is named after Bill Barker, a prospector with an idea to find more gold by u/g mining. His group dug down to the gravels in the valley to the west of the main surface placers. There they found the single richest “pay” of the camp. This buried placer yielded US\$600,000 in gold, at US\$18.93/oz in 1862, or around 31,700 ounces. This fame led to the naming of the new town. This amount of gold would now be worth C\$107.6 million. Omenica Mining and Metals is following Dutch Bill’s example on Lightning Creek west of Barkerville as outlined below.

The Cariboo camp is now the site of a new mine under advancement by Osisko Development, an advanced PFS stage project held by Spanish Mountain Gold near Likely, and ongoing exploration in the southern part of the Cariboo by Theia Gold to find the next major deposits in the region.

This renewed interest in the Cariboo may be the result of one group’s search for a new gold project to advance in BC.

### **CARIBOO RE-DISCOVERED**

In the early 1990s, Frank Callaghan became the president of a previously listed junior exploration company. Their team conducted extensive desk research on gold projects in BC. This work identified the Gold Quartz mine area in the historic Barkerville Camp of the Cariboo as a prime target for gold resource development.

Others held the mine at the time, but after a tragic accident that led to the loss of the company’s entire management team, they were able to do a joint venture deal. This company acquired the other 50% of the project during the poor junior markets of 1997 following the Bre-X fallout. With control of the majority of the Wells-Barkerville camp, Frank and his team got to work drilling and expanding the camp’s gold resources. Their first resource estimate in 1999 outlined over 1 million ounces at greater than 4 g/t gold from over 40,000 ft of drilling in 238 holes. Exploration expenditures at the time calculated finding costs of less than 1% of the then US \$300 per ounce gold price, a very good value, illustrating successful work programs.

Frank brought in regional exploration experts to direct the exploration program. This new direction led to the redrilling of an old discovery, the BC vein, that had over 2.2 km of strike and remained open but was not worked. Drilling this led to the discovery of the new high-grade Bonanza Ledge Zone that ignited the interest in the Cariboo camp in 2000. Frank and his team continued to advance the project, adding additional experts and working with the local community. This included consolidating the camp land package to put over 60 km of prospective strike length together. This strategy was coupled with ongoing drilling and additional resource estimates. In 2011, this company secured a mining permit for the Bonanza Ledge and conducted a bulk sample test. They bought the idled QR Mill from Kinross and a second mill, the Goldstream, to be moved from Revelstoke, BC, to Barkerville or the QR site to mine and recover the gold. All these actions required financing completed by this group totaling over C\$168 million.

This advanced project brought in Osisko Royalties in 2015 for a 19.9% stake. This initial investment eventually led to the takeout of the assets in 2019 to form the base of a new company, Osisko Development Corp., which is now advancing the Barkerville camp, as discussed below.

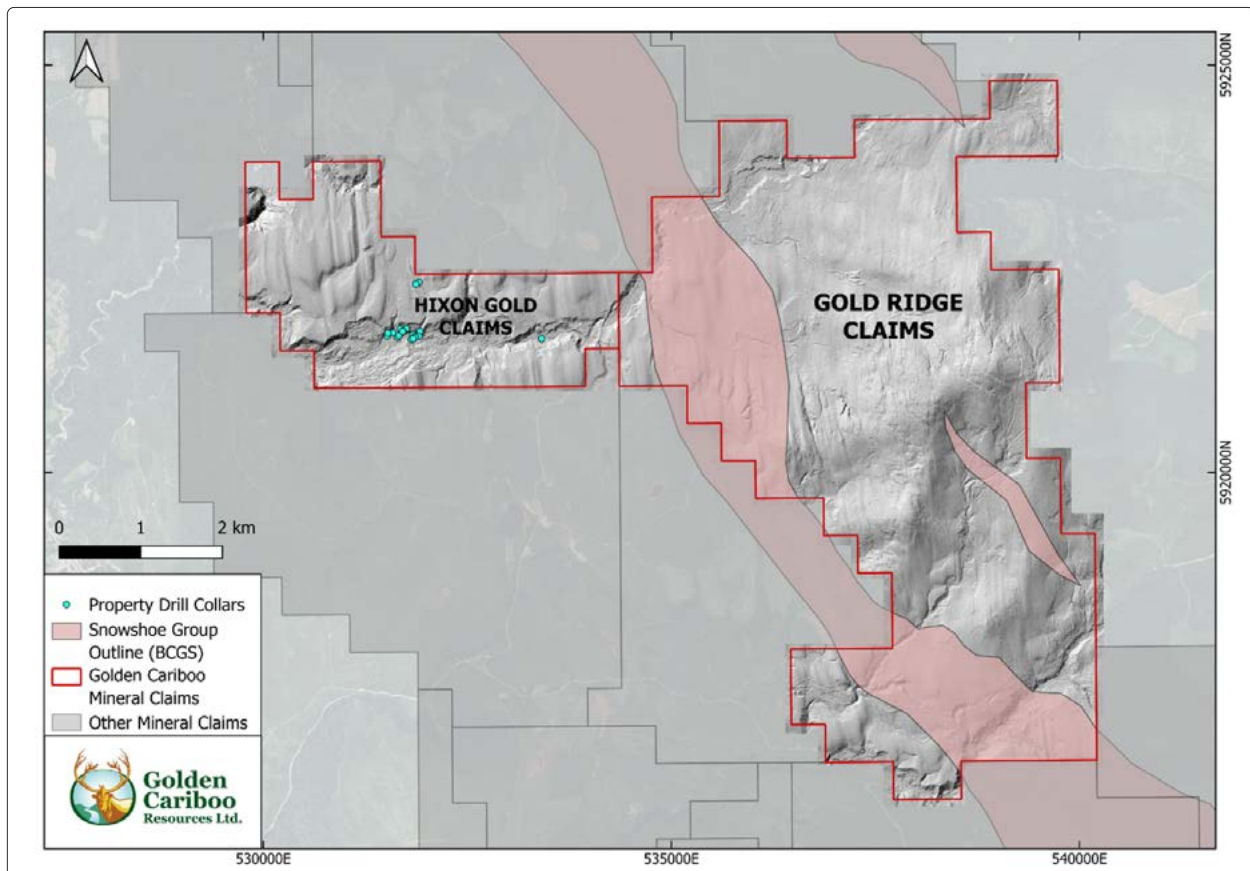
This history illustrates Frank Callaghan’s entrepreneurial drive and commitment to restarting the Cariboo Gold Rush. Frank and his team are bringing this drive, experience, and commitment to making another discovery to the work in Hixon on the Golden Cariboo project. These factors are part of this company’s value proposition. Can they do it again? The Cariboo has a strong potential for discovery, and their project is well situated.

## PROJECTS AND PROPERTIES

### QUESNELLE GOLD QUARTZ

The 3,814 ha property comprises 21 contiguous mineral tenures and is accessible year-round via forest service roads leaving Highway 97 near the community of Hixon, British Columbia. The Property was acquired by Golden Cariboo Resources in 2019 and is surrounded to the north, south, and west by Barkerville Gold Mines Ltd (‘BGM’), a wholly owned subsidiary of Osisko Development Corp. In 2016, BGM staked a 40km belt of mineral claims after the original owners staked the heart of the trend centered at the underground mine workings and reclaimed mill site at the old Quesnelle Quartz Mine, the site of crown-granted mineral claims and earlier hard rock workings from the 1860s that are located adjacent to and under Hixon Creek.

Figure 2: Quesnelle Gold Quartz Mine Property



Source: Golden Cariboo Resources

Historical placer production reported up to 1945 in Annual Reports to the Minister of Mines estimates up to \$2 million worth of placer gold was mined from Hixon Creek. Placer operations are still producing gold along Hixon Creek and its vicinity to this day.

The property includes the past producing Quesnelle Quartz gold-silver mine that was discovered in 1865 in conjunction with placer mining activities and produced 2,048 tonnes grading 3.14 g/t gold and 4.18 g/t silver in 1932 and 1939, with an additional 217 tonnes of unknown grade reported in 1878. The deposit model for this property is the orogenic type, consisting of gold-bearing quartz veins and quartz-carbonate-pyrite replacement style mineralization such as at Osisko Development's Cariboo Gold Project, located 75 km to the southeast of this property along the mine trend.

The Company's drilling on the claim group in 2023 and 2024 provided positive results for the project early in the program. Drilling on targets in the historical mine area in 2023 confirmed that the site still holds resource potential. Drillhole QGQ24-04 intersected 4.65 g/t gold over 7.15 m, as well as other broad and narrow intersections of additional mineralization.

Figure 3: Visible gold in core from 2024 drilling



The 2024 drilling started on their North Hixon target. Hole QGQ24-08 intersected over 263m at 0.29 g/t gold and included over 200 m at 0.58 g/t gold with 140 m at 0.71 g/t gold. These widths and grades are comparable to intersections at the Spanish Mountain Gold deposit. Hole QGQ24-09 included a section of 89.7 m at 0.43 g/t, another long interval.

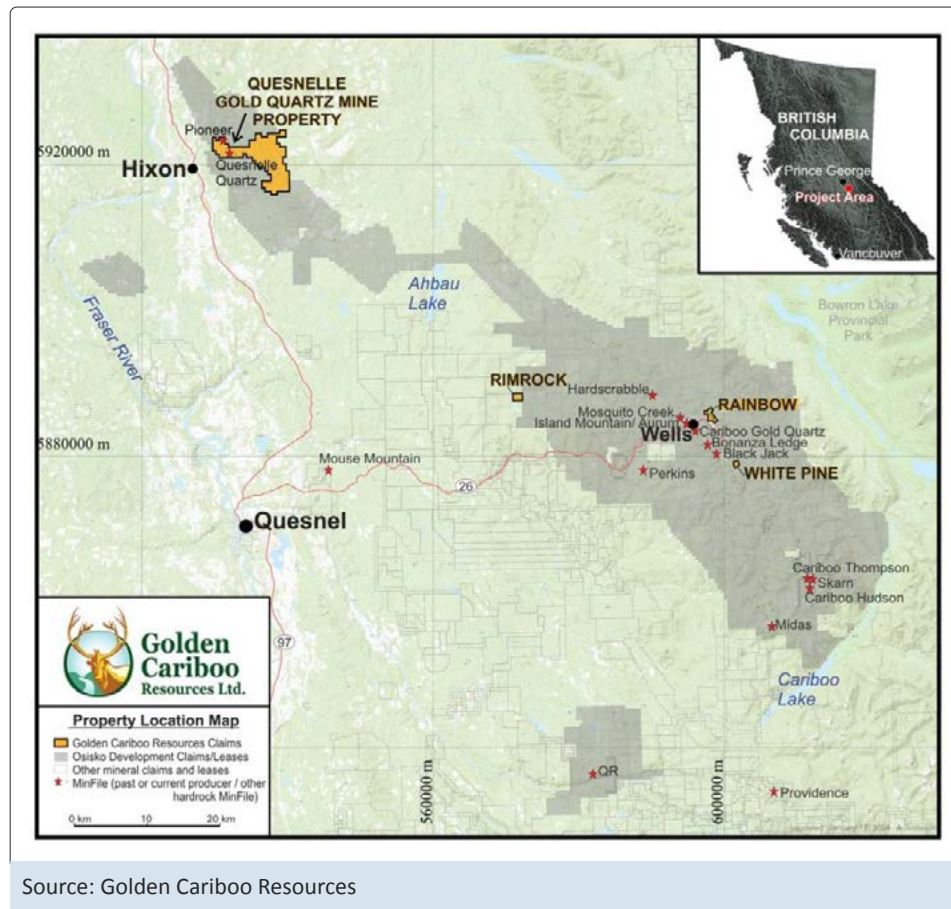
Drilling moved onto the Halo Zone, 830 m NW along the trend. Visible gold is noted in three holes completed, as pictured in Figure 3. Assays are pending on QGQ24-13, 14, and 15. GCC drilling now confirms the gold in trend for over 1500 m with significant intersections. Additional work in 2024 included geochemistry and geophysical surveys and structural mapping of the property to provide information for the drilling program.

The Company also expanded its field activities to the Gold Ridge claims in the eastern portion of the Company’s Quesnelle Gold Quartz property. Initial work consists of geological mapping, prospecting, and stream sediment sampling to advance the claims that have seen minimal historical work. The geology of the Gold Ridge claims includes portions of the Snowshoe Group that are the host group to Osisko’s Cariboo Gold project and will be targeted for geochemical sampling in the active program, see Figure 1 above. The Gold Ridge claims are bordered by Osisko’s claims to the north, south, and west, showing their interest in discovery, which extends this section of the Cariboo and is a positive indicator of their in-house expertise in the camp.

GCC’s Project at Hixon contains the ingredients for resource discovery and definition through additional analysis and drilling. Higher-grade assays, expected shortly, should encourage additional market interest in this part of the now rediscovered and producing Cariboo Camp.

The Company holds three additional claim groups in the Cariboo that provide additional opportunities for positive exploration results. These properties are located across the Cariboo Camp, as shown in Figure 4.

Figure 4: Additional claim groups in the Cariboo



Source: Golden Cariboo Resources



## **RAINBOW CLAIM GROUP**

The Rainbow Claim Group comprises seven legacy and celled mineral claims (Rainbow, RM1, and Yes claims) covering a total physical area of 142.9 ha on Valley Mountain. Located within 2 km of Wells, BC, and Osisko's proposed mine at the Valley Zone, Golden Cariboo Resources owns 100% of the mineral rights of the Rainbow Property, along a 2 km portion of the limestone belt and mineralized trend which is noted to be parallel to the Baker-Rainbow contact of Osisko's Barkerville Gold Belt on the adjacent Barkerville and Cow Mountain. An adit drifted in 1937 for a distance of 37 m along the gold-bearing quartz 'B'-veins, with vein widths ranging from 50 to 150 cm (ARIS19815). Exploration activities are in progress to identify key targets further.

## **RIMROCK**

Rimrock is a 116.3-hectare mineral property 100% owned by Golden Cariboo. The Property straddles a 1.3m portion of the geological contact between greenstone-greenstone schist and metasedimentary rocks of the Snowshoe Group. It is located immediately adjacent to the overlying productive placer mines of Tregillus Lake and Langford Camp. Osisko Development's Cariboo Gold Project land package is contiguous to the east of the Rimrock property, while Omineca Mining and Metals is contiguous to the north, west, and south of the Rimrock property. A LiDAR survey has been completed, and other exploration activities are in progress.

## **WHITE PINE PROPERTY**

The White Pine Property, District Lot 17F, is owned by Golden Cariboo Resources and Barkerville Gold Mines Ltd, a wholly owned subsidiary of Osisko Development Corp as "Tenants in Common". This 39.8 ha F-Grant claim was originally issued in the 1800s and allows for the use of various surface and undersurface rights, including production rights. Grassroots mineral exploration has taken place here over the years, including various airborne geophysical surveys, and the last placer mining activities that occurred were in the early 2000s by Pete Wright. Historical records, specifically a map from the 1880s, indicated placer gold production was "50oz to the set". Ongoing research and database compilation is in progress.

## **HIXON BC QUESNELLE GOLD QUARTZ MINE PROJECT SITE VISIT**

A site visit of the Company's Hixon BC claims was conducted by the analyst from June 7th to 9th, 2024, in support of the Company's research coverage. The 2024 drilling program was underway at this time, with the first holes testing the North Hixon zone, one hole completed, and the second hole being started. We were able to visit the drill rig during the second hole, see photo on Figure 5. The drilling is conducted on two shifts, seven days a week. The drilling produced a high-quality core for lithology and sampling as part of the ongoing property exploration program targeting a gold deposit discovery in the Cariboo.

The previous drilling on the property and historical mining indicate that the claim group is host to known gold mineralization. The mineralization contains other metals such as silver, zinc, and copper. The drilling program is ongoing, and there is no set target for the time or distance drilled. The site visit also included a discussion of lithologies, mineralization, and structural features seen in completed drill holes. The core of three complete drill holes was laid out for easy viewing. The inspection and discussion were conducted by

the project's qualified person, Jean Pautler, P.Geo. This review focused on understanding the key rock types of the region and highlighted the known mineralization and structural features, as shown in the photo in Figure 6.

The review also showed the early stage of the exploration program as only five holes on two sites with limited full analysis completed thus far. The drilling program is not only looking for mineralization but also trying to determine the lithological and structural setting of the claim group and its target areas. The importance of this effort is known to the Company as they also conducted a structural analysis of the site through a consultant, Sarah Palmer. She was at the project immediately preceding the analyst visit, and there was no overlap. The project's qualified person also assisted in the structural mapping program. The property has few outcrops to assist in this analysis and interpretation. The drilling program now includes core orientation measurements to assist in this process. We believe this addition to the project analysis is helpful as the mineralization is also structurally controlled in part or predominantly in this camp.

The site visit also included short interviews with the site technical crew to understand their abilities and roles on-site during the exploration program. The full team is described in the Management section of the report. The crew includes a senior geologist as QP, who was on-site at this time but not for the full program. The QP holds over 30 years of technical expertise

Figure 5: Drill rig at North Hixon Prospect



Figure 6: Core inspection



Source: Couloir Capital

and is very familiar with the region's setting for gold exploration. Their QP is highly sought after for this role, along with other well-known Canadian exploration companies. The onsite technical team is led by two trained geologists, both of whom are advancing to P.Geo status and have over seven years of exploration experience. They are classmates and work well together here and in the past. This familiarity and compatibility in the field is helpful in an exploration camp setting where long hours, repetitive routines, and time demands can lead to issues. A junior geologist in charge of core logging supports this team. She holds a master's of geology from a European university, and this is her first mineral exploration camp project, but it appears to fit well into this role. Overall supervision of the exploration program is the responsibility of another seasoned veteran with a long and positive working relationship with the company's CEO. She is also familiar with the project and the historical gold mining on the site.

Figure 7: Rail at Hixon, BC



Source: Couloir Capital

The site visit also highlighted the excellent infrastructure and logistics available for the exploration programs and potential development. The Company is renting an existing motel as its camp. The analyst also stayed at this site for the visit. This motel houses the full crew, which includes drillers and a camp cook. The motel is located in the village of Hixon on Highway 97, only 50 km from Prince George, a city of 50,000. This is a major highway in BC following the Fraser River north-south in the central part of the province. A rail and power lines also follow this corridor, as seen in Figures 7 and 8. The significant and high-quality infrastructure assets make for lower-cost exploration now and future development opportunities.

The work areas are accessible by forestry roads and were less than 30 minutes from the core shack. The core shack property is located just off Highway 97 adjacent to the forestry road junction. The core shack property provides a full-service site for core review, splitting, sampling, and storage, as well as the site for the drilling company's additional equipment. The village of Hixon is only 60 kilometers from Quesnel, the center of the Cariboo Mining District. It's 75 kilometers along trend from Wells Barkerville, the site of the new Osisko Development mine, and 210 kilometers from the QR Mill processing plant.

Figure 8: Highway and power corridor at Hixon, BC



Source: Couloir Capital

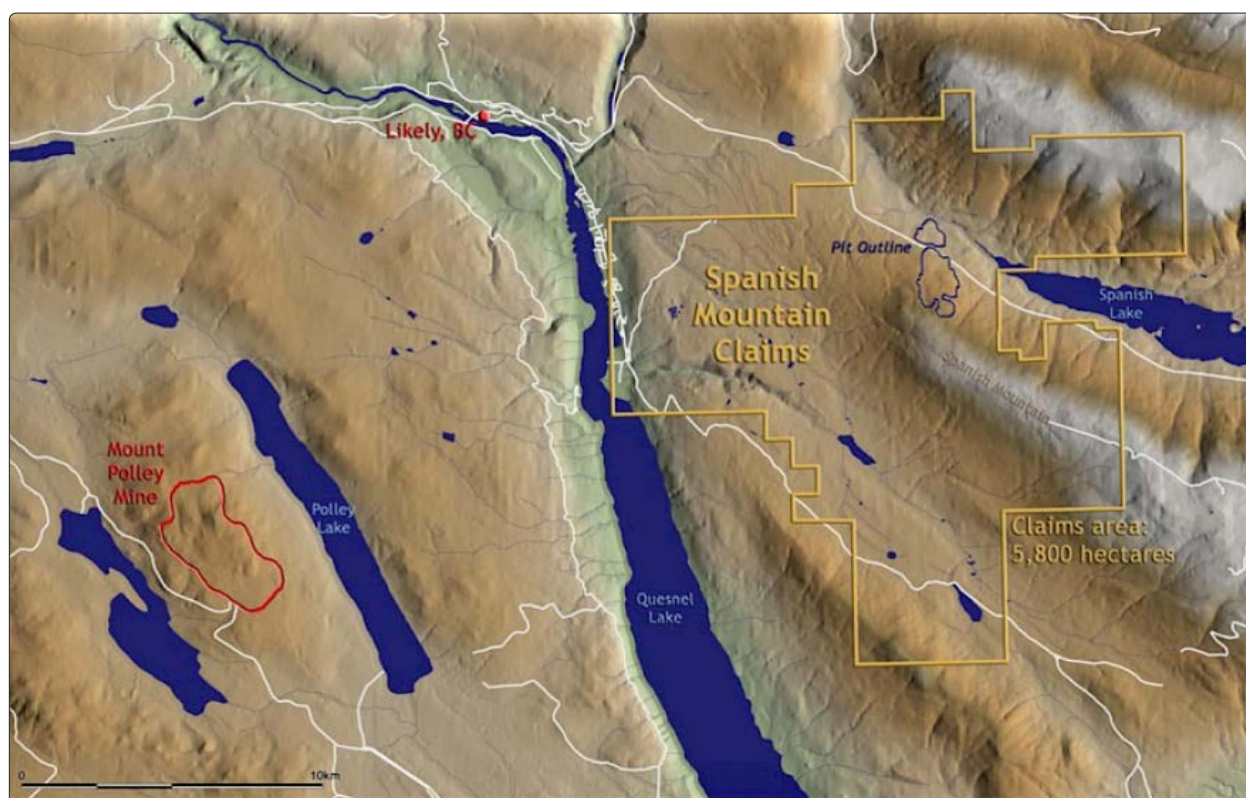
Overall, the site visit illustrated that the Company's project is at an early stage of exploration, with known gold intercepts located in a well-served location. It is being run by a competent team that is seeing the project advance through diligent analysis and exploration. The team is excited to see the project advance to creating a new advancing gold exploration investment story.

## COMPANIES OPERATING IN THE CARIBOO GOLD CAMP

### SPANISH MOUNTAIN GOLD

Spanish Mountain Gold (TSX-V: SPA, FSE: S3Y, OTC: SPAZF) is advancing its 100% owned multi-million-ounce Spanish Mountain Gold project towards constructing the next gold mine in the Cariboo Gold Camp. The Spanish Mountain gold project is located about 6 kilometers from the village of Likely and approximately 75 kilometers southeast of Quesnel. It is only 10 km from the Mount Polly mine. The claim outline and its local position are given in Figure 9.

Figure 9: Spanish Mountain claim block

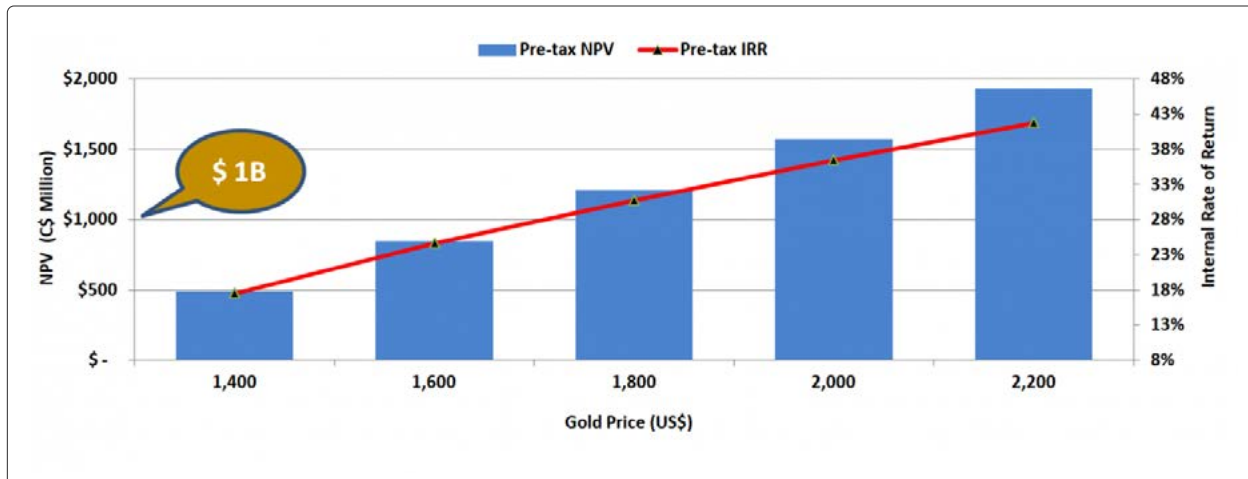


Source: Spanish Mountain Gold

Their project is the subject of a positive pre-feasibility study produced in Q2 2022. The modeled mine plan sees an average annual production of >180k ounces (first six years) and >150k ounces (Life of Mine). Economics with an average all-in-sustaining cost of \$707 per ounce (first six years) and \$801 per ounce (Life of Mine). Initial capital requirements of C\$607 million for constructing a mine with a mill throughput of 20,000 tonnes per day. The permitting process is underway, and this company is looking to expand and upgrade its resources. The base case economics for the project were at a gold price of US1,600 per ounce. The market is much improved, and the sensitivity of the project's NPV is given in Figure 10. The project hosts a 2.3-million-ounce reserve for this planned open pit project, with a total resource of 4.7 million ounces measured and indicated and 0.41 million ounces inferred.

The project and this PFS provide a target model and potential economics for a similar style discovery on the Golden Cariboo project. The project also indicated that the Cariboo region hosts multi-million-ounce deposits that can return positive economics at lower grades with the current positive bullion price environment.

Figure 10: Project NPV sensitivity to gold price



Source: Spanish Mountain Gold

Spanish Mountain Gold also provides a model for exploration in terms of utilization of its data set and deposit models. This company holds a significant data set in terms of a 150,000 m core library that is being relogged for additional parameters related to mineralization, including structures. This data set analysis is then being used in conjunction with geophysical surveys and their analysis to target intrusions and structures that could then carry gold mineralization. Our site visit to the GCC's Quesnelle Gold Quartz Project indicated that they, too, were following the "intrusion with structures" model to target its drilling program and adding structural surveying to the core logging to better collect this data.

### THEIA GOLD CORP. (FORMERLY KARUS GOLD)

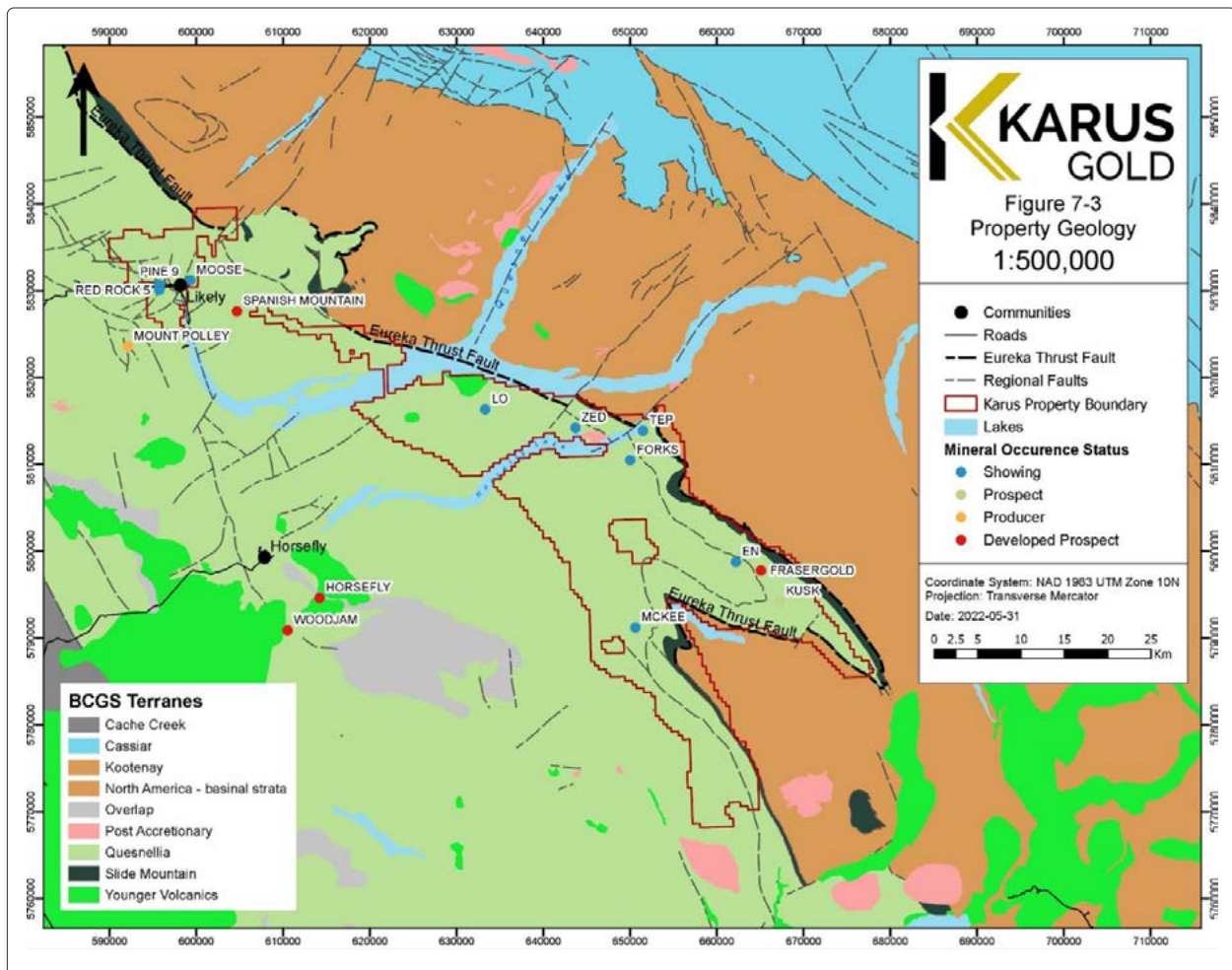
This private company holds the South Cariboo Property consisting of two nearly contiguous blocks covering 105,432 ha (1054 km<sup>2</sup>). The Property's northwestern block is referred to as the Gold Creek block, and the southeastern end that includes the Fraser Gold deposit is the FG Gold block. The Spanish Mountain Gold property shown in Figure 11 lies between these claim blocks. These claim groups are just outside of Likely BC, some 75 km SE of Quesnel and ~50 km S of Wells-Barkerville. Spanish Mountain's exploration camp is located within the Gold Creek claim group held by Theia, as surface rights are held by others in this area.

The Theia claim block extends for over ~70 km along the NW trend of the geology, as shown in Figure 11. It also contains over 100 km of strike extend of the Eureka fault zone as it forms a Z in the southern end of its claim block. The claim block lies to the west of this significant fault zone to cover what they see as the favourable accretion terrane, in this case, Quesnel. The outlined Fraser Gold deposit lies adjacent to the

Eureka fault zone in this terrane. It also shows that the Spanish Mountain deposit lies in this trend position. Numerous other gold occurrences are noted along this trend and are named in the figure.

This project, with the numerous prospects along the trend and a known deposit associated with a major structural break, illustrates the potential of the Cariboo — to find gold in many locations along the trend that extends for greater than 150 km to the historical mines on GCC property. Gold is not found everywhere in BC, but in the Cariboo, and along this trend, there are significant deposits and numerous prospects to test for gold + silver resources.

Figure 11: South Cariboo claim block with prospects

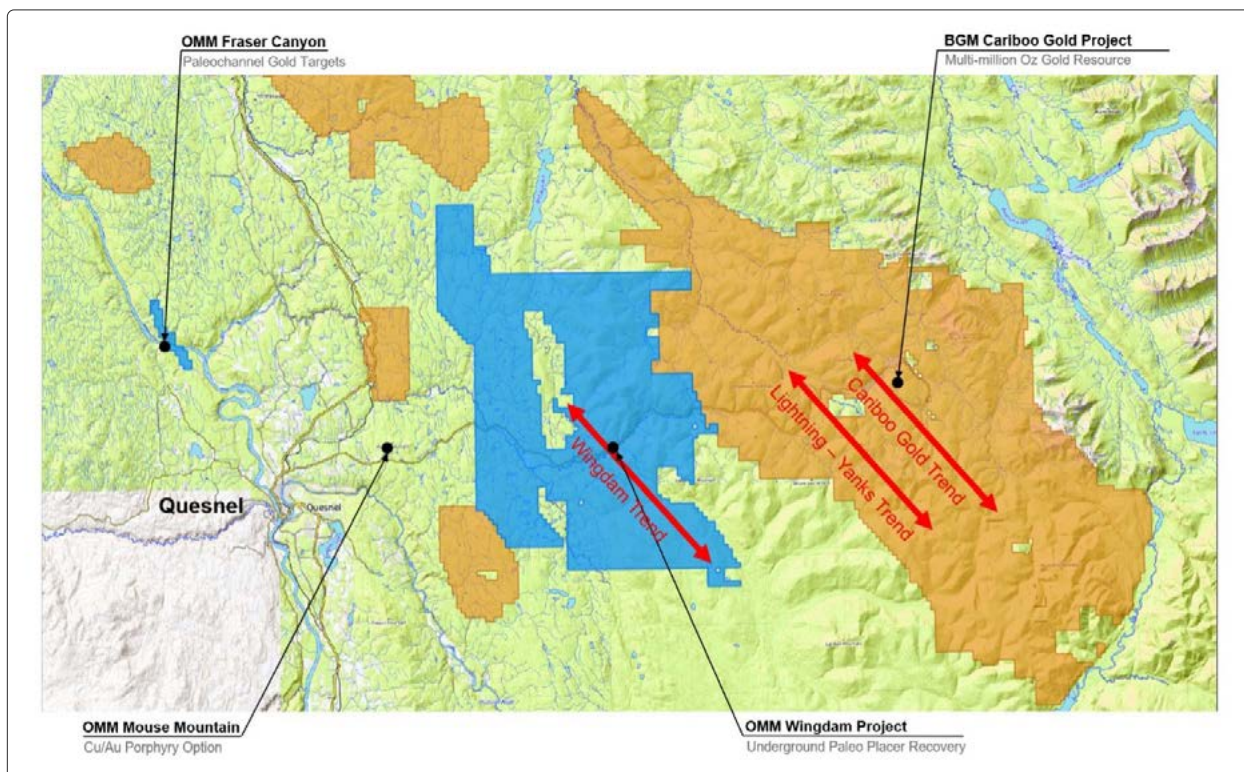


Source: Karus Gold

### OMINECA MINING AND METALS LTD. (TSXV: OMM) (OTCBB: OMMSF)

One of the mining projects in the Cariboo is operated by Omineca Mining and Metals Ltd. They are mining at the Wingdam Paleoplacer project located on Lightning Creek, which runs adjacent to the Barkerville highway and connects the historical and new Cariboo mining camp to Quesnel, as shown in Figure 12. This is one of the original placer creeks of the camp. The company is now mining the placer deposits from an underground mine access, much like was completed during parts of the earlier gold rush. The Wingdam Project encompasses 2.4 km of a rich, placer-bearing channel buried 50 m underneath Lightning Creek “containing some of the highest placer gold concentrations historically reported in all of the Cariboo Mining District and perhaps British Columbia that remains un-mined”– from their company reports.

Figure 12: Wingdam Project in the Cariboo



Source: Omineca Mining and Metals Ltd.

The Wingdam Property is a claim block of over 61,392 hectares (613 km<sup>2</sup>) with more than 15 linear kilometers of placer claims, both encompassing the Lightning Creek valley where topographic conditions created thick layers of overburden that preserved a large portion of a buried paleochannel containing placer gold-bearing gravels. Omineca is also conducting an exploration and diamond drill program exploring the potential multiple hard rock sources of the placer gold at Wingdam. This program is addressing the potential of another hard rock trend, the Wingdam trend, within this host accretion terrain west



of the main Barkerville Cariboo camp. This trend may correspond to the mineralized trend identified at the Golden Cariboo Project. This company identified mineralization in hard rock from the underground workings and in the core from testing prospects on their large land position along this trend, see Figure 13. Again, in the Cariboo, the “trend is your friend” in finding gold.

Figure 13: Mineralization in hard rock of the Wingdam trend

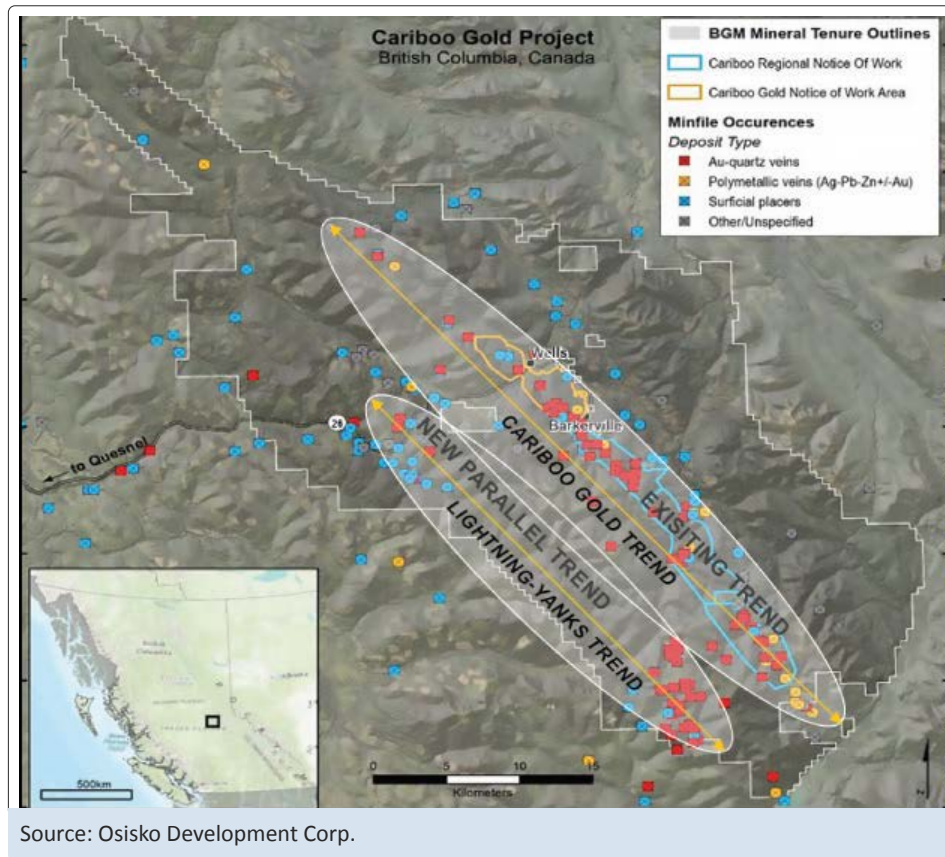


Source: Omineca Mining

### **OSISKO DEVELOPMENT CORP.**

Osisko Development Corp. (NYSE: ODV, TSXV: ODV) is the largest landholder and operator in the Cariboo Gold camp. Their regional name sake, Cariboo Gold Project, covers the historical Barkerville and Wells camp and extends for over 83km along the camp trend to the NW, see Figure 14. ODV extended its land package to surround the GCC claim block, as shown in Figure 3. Osisko Royalties acquired the project in a C\$338 million deal in September of 2019. Osisko Royalties made an initial investment in 2015 to hold 19.9% of the listed company. The full acquisition of the company and its project was completed to provide “Greater exposure to a unique, high-quality advanced development project in Canada with world-class potential.” This acquisition was used to create the new Osisko Development Corp company. Osisko Development Corp. is now stated as a premier North American gold development company focused on high-quality past-producing properties located in mining-friendly jurisdictions with district-scale potential.

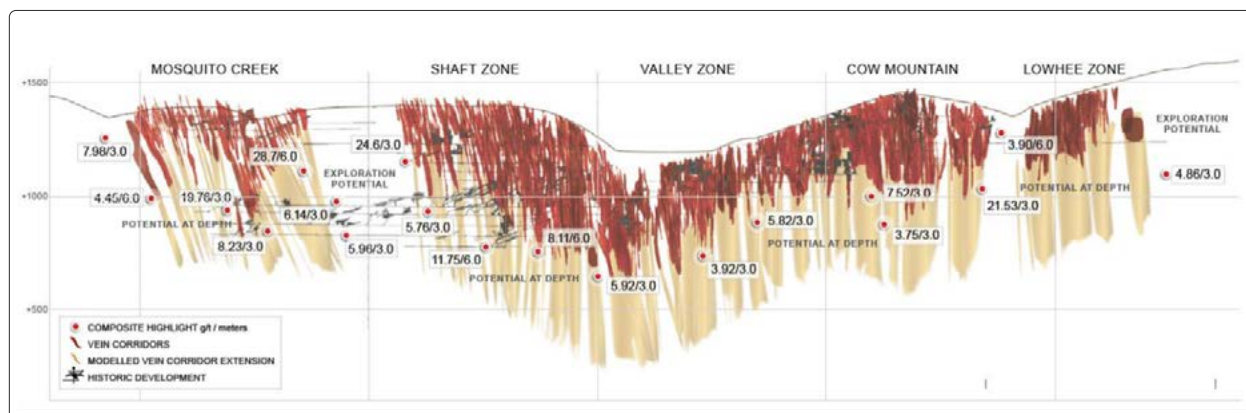
Figure 14: Osisko Development Cariboo Camp claim block with prospects



Osisko Development's Cariboo Gold project reported a BFS in January 2023 with summary results: total gold resource of over 3.2 million ounces plus reserves of over 2 million ounces; to be mined over a 12-year period with average annual gold production of nearly 164,000 oz; \$235 million invested in the project to the end of 2023 on mine infrastructure; ASIC of ~US\$970/oz over LOM; and the project generates an NPV5% of \$502 million and an IRR of 20.7% after taxes; with a 5.9 year pay back. Phase I of the project will commence in 2024 with 1,500 tonnes per day ("tpd") production, ramping up to 4,900 tpd production in 2027 for Phase 2. This company is targeting multiple mines and a central mill facility, leveraging the existing brownfield infrastructure of the Cariboo Camp.

The resource and mine plan outline for their project extends for over a 4.4 km strike length, as shown in Figure 15, with an average depth of the resource extending to only 350m. There are already notable intersections below the resource block to expand resources. Osisko Development completed over 700,000 m in drilling over the past seven years on the project to provide them with an excellent database for resource expansion and target development. They see their 83 km trend on the parallel Cariboo Gold and Lightning-Yanks trend as providing prospective opportunities for additional resource discoveries. Their extending of the land package around the GCC claim block indicates that this prospectivity includes the Hixon area of the Cariboo Gold Camp.

Figure 15: ODV resource long-section



Source: Osisko Development

## MANAGEMENT

**Mr. Frank Callaghan** leads the management of Golden Cariboo Resources. He is an industry name and a well-known promoter in the junior mining sector. As discussed earlier, he led the team that rediscovered the Cariboo Gold Camp and pulled together the asset base that eventually attracted the takeover by Osisko Development Corp. It is Frank and his team's experience in project exploration, advancement, and market experience that are drivers for this story. The company is using qualified technical professionals in the field. These are backed by several experienced leaders in exploration, structural interpretation, and project management.

The roles of the technical team and consultants are as follows:

**Qualified Person: Jean Pautler, P.Geo.,** is an independent consultant with her company, JP Exploration Services Inc., and has over 40 years of experience in mineral exploration, with a particular focus on British Columbia and the Yukon. His experience includes work on orogenic gold deposits in the Wells-Barkerville, Bralorne, Cassiar, and Atlin gold camps.

**Structural Geology Consultant: Dr. Sarah Palmer, P.Geo.,** has over 35 years of experience in economic geology and mineral exploration. Ms. Palmer's previous work includes extensive work on orogenic gold deposits in the Abitibi.

**Project Manager: Angelique Justason** has over 30 years of experience in various positions, ranging from junior geologist to project manager. She was instrumental in delineating the Bonanza Ledge Deposit, which is now part of Osisko Development's Cariboo Gold Project.

**Project Geologist: Myles Dickson, B.Sc.,** has over ten years of mineral exploration experience working on gold, copper, and uranium projects. Projects worked on include the Cariboo Gold Project (Osisko Development Corp), the Rook 1 Project (NexGen Energy Ltd.), and the Triple R Deposit (Fission Uranium Corp.).

**Senior Geologist: Trevor Smith, G.I.T.**, has seven years of experience in the mineral exploration industry across North America and Europe, having worked on several gold projects, including the Shovelnose Gold Deposit in British Columbia (Westhaven Gold Corp.) and early-stage Archean orogenic gold in Ontario.

**Junior Geologist: Julia Mehner, M.Sc.**, has experience working in both Germany and Finland exploring for precious metals as well as battery metals.

The Company's board of directors also has experience in advancing the Barkerville gold camp, public company operations, and legal support.

The management team, led by Frank and the VP of investor relations, Scott Young, is investor-focused. They spend considerable time explaining the story and their plans and raising capital for the continuation of exploration and public company operations. From our observations on-site and at investor meetings, this is a committed team.

## CAPITAL STRUCTURE

Table 1 presents the company's capital structure as estimated by the analyst at the time of publication. Of note, on February 7, 2024, the Company completed a share consolidation on a 3 for 1 basis. As a result of rounding, 5 shares were issued. The total shares issued pre-consolidation were 43,534,013, and the total post-consolidation was 14,511,343. All share, option, and warrant numbers presented are stated to their post-consolidation equivalent.

Post consolidation, the Company completed several private placements at different issue prices and unit structures. The Company raised a total of \$3.845 million before financing costs and issued 30,586,667 shares. This represents a dilution of ~210% of the common stock. The capital raised provided financing for the Company's ongoing exploration programs at the Quesnelle Gold Quartz project and public company operations. This is a respectable amount raised in what is still a poor financing market for the junior sector despite the positive market conditions for the gold price and the outlook for metals demand. We expect the Company to continue funding its exploration in the Cariboo to build on the positive results produced in 2024.

Table 1: Capital structure estimate

Warrants				Options			
Number	Price	End date		Number	Price	End date	
1,666,668	0.30	29-Mar-26		425,001	0.30	03-Apr-26	
70,000	0.30	29-Mar-26		3,200,000	0.22	20-Mar-29	
2,116,252	0.12	14-Feb-29		245,000	0.23	05-Apr-29	
7,219,800	0.12	08-Mar-29		<b>Average</b>	<b>\$0.25</b>	<b>Total</b>	<b>3,870,001</b>
3,674,600	0.12	21-Mar-29					
2,660,000	0.32	25-Jun-27					
7,926,667	0.25	12-Aug-27					
<b>Average</b>	<b>\$0.22</b>	<b>Total</b>	<b>25,333,987</b>	<b>Shares outstanding</b>			<b>45,098,010</b>
				<b>Shares fully diluted</b>			<b>74,301,998</b>

Source: Couloir Capital

## VALUATION

Golden Cariboo's projects do not hold any compliant mineral resources, and exploration drilling is still at an early stage, making resource-based valuations not available at this time. We can look at what the market is paying for based on an "ounces in the ground" or similar method. We use a 1% discount on the gold price for our in-the-ground value, around US\$25/oz at this time. Table 2 outlines the values used to estimate the market target size based on a trading enterprise value per ounce of US\$25. This is based on the grade reported for a drilling intersection reported from the 2024 program as an average interval for this modeled resource target. This calculation indicates that the market would be discounting a resource size of around 155,000 ounces, a modest start for an exploration program.

This number is not unreasonable, but it is not the size of the target that the Company is ultimately looking for from this project. A modeled resource with these parameters would fit in a rock volume of 100m by 175m by 175m. This is a relatively small target to confirm from a drilling program. The Project could host many blocks of such size. The known strike length of the trend they are testing is over 1.0 km at this time.

The distance between the North Hixon and the Halo zones is over 800m alone. In recent drilling, numerous observations of visible gold were encountered, suggesting higher grades than this modeled target are possible in the next round of assay values. Additional drilling is also planned that could further outline the continuity of the trend and the potential to outline mineralization envelopes that exceed this initial market-priced estimate.

On a market comparable basis, Golden Cariboo Resources is trading at approximately one-third the market cap of a group of early-stage junior explorers with projects in significant camps of BC. This list in Table 3 is not exhaustive. It also shows that GCC is not overvalued and is likely significantly undervalued based on its opportunity for gold resource discovery and definition in the Cariboo Gold Camp.

Table 2: Market discounted resource target

Factors	Units	Values
Market cap	[C\$ M]	\$6.50
Cash on hand	[C\$ M]	\$1.20
Enterprise value	[C\$ M]	\$5.30
Exchange rate	[%]	73.6%
Enterprise value	[US\$ M]	\$3.90
Gold price	[US\$/oz]	2510
Discount rate	[%]	1%
In ground value	[US\$/oz]	\$25.10
Gold target	[oz]	155,305
Intersection	[m]	200
True width	[%]	50%
Density	[t/m <sup>3</sup> ]	2.75
Grade (QGQ24-08)	[g/t]	0.58
Dimenstions (v*h)	[m]	174

Source: Couloir Capital

Table 3: Junior explorers in British Columbia

Company	Market Cap [C\$ M]	Price [C\$]	YTD price change [%]
<b>Golden Cariboo Resources Ltd. (CNSXGCC)</b>	<b>7.3</b>	<b>0.15</b>	<b>38.1</b>
GGX Gold Corp. (TSXV:GGX)	0.7	0.02	(33.30)
Ximen Mining Corp. (TSXV:XIM)	3.8	0.1	(66.10)
Green River Gold Corp. (CNSXCCR)	4	0.03	(33.30)
Prosper Gold Corp. (TSXV:PGX)	5.8	0.13	(16.10)
Omineca Mining and Metals Ltd. (TSXV:OMM)	12.6	0.07	16.70
Juggernaut Exploration Ltd. (TSXV:JUGR)	13.4	0.11	23.50
Sun Summit Minerals Corp. (TSXV:SMN)	15.1	0.22	33.30
Prospect Ridge Resources Corp. (CNSXPRR)	16.6	0.2	14.30
Westhaven Gold Corp. (TSXV:WHN)	27.2	0.18	(22.20)
Endurance Gold Corporation (TSXV:EDG)	29	0.17	(6.90)
DLP Resources Inc. (TSXV:DLP)	29.6	0.25	(38.00)
Spanish Mountain Gold Ltd. (TSXV:SPA)	62.2	0.16	(11.10)
Osisko Development Corp. (TSXV:ODV)	241.8	2.83	(26.50)

Source: Couloir Capital

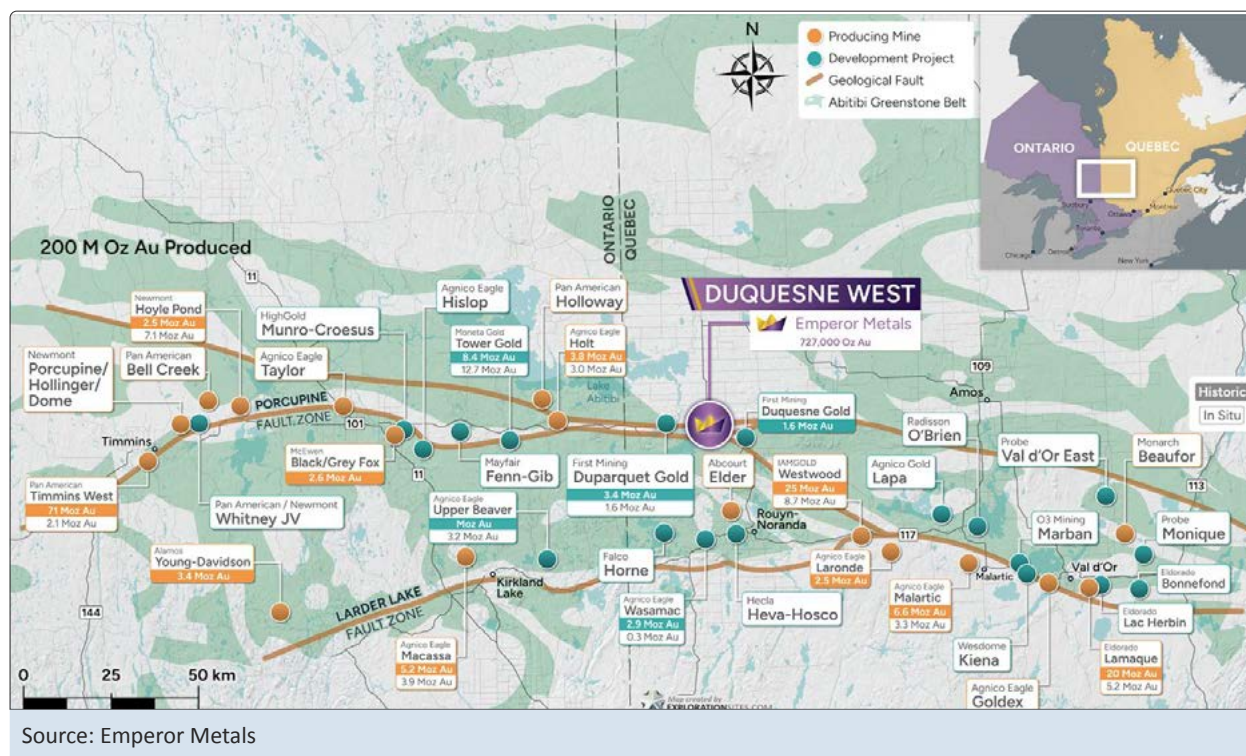
## CONCLUSIONS AND RECOMMENDATION

Golden Cariboo Resources is led by a team that restarted the Cariboo Gold Rush through initial project evaluations, acquisitions, financing, and significant exploration success. This happened in what was a mining town that was worked for more than 140 years. The discovery of the Bonanza Ledge Deposit led to increased market interest and, finally, a takeover by the current operators in a C\$338 million deal. When investing in the highly risky junior mining market, many look to follow well-known names with a track record of success. One may be able to add Frank Callaghan to this list for his success in the Cariboo Camp, and he is starting again where he found his mine. We suggest that the drive and the knowledge are there to generate this success again.

The camp is producing again, yet remains relatively under-explored. Gold is found in the Cariboo along the mining trends for over 175 km of its length. Some compare the camp with its several parallel trends and structures and length to the Abitibi Gold Camp of Ontario and Quebec. A map of this camp in Figure 16 shows that this mature camp is home to numerous multi-million-ounce deposits and large operations. The Cariboo may be heading this way with two million ounce plus deposits so far, with several trends, structures, and deposit types to explore. We believe that Golden Cariboo's projects are well located to be part of this opportunity to fully explore the region and find more big gold deposits.

**We are recommending the Company as a buy with a high-risk rating due to the early stage of its projects. Our estimated fair market target for the stock at this time is C\$0.40 based on near-term exploration upside and positioning it within its BC junior mining peers.**

Figure 16: Abitibi Mining Camp mines and deposits



## RISKS

The following outlines some of the key risk considerations that investors should keep in mind when evaluating Golden Cariboo Resources Ltd. as an investment opportunity:

- ◆ **Poor drilling results from their Quesnelle Gold Quartz property:** The drilling in 2023 is based on an interpretation of the previous results. There is a potential that the 2024 drilling program will not continue to show continuity to the mineralized zone or correspond to the model used to direct the drilling. There is a risk that the properties do not host an economically viable large-scale mineralization, potentially due to a lack of continuity or other components of the mineral system.
- ◆ **Early-stage explorer:** Golden Cariboo's projects lack compliant mineral resources or economic assessment, putting them on the higher end of the risk spectrum for resource projects. It also means there is minimal basis for intrinsic valuation, meaning investors are exposing themselves to outsized risk and value loss if any of the above risk factors should materialize. In the medium term, the development of resources, or lack thereof, may significantly reduce the value of the project.
- ◆ **Capital structure deterioration related to ongoing cash burn:** We expect the Company to use its cash for exploration to the point of the Company needing to raise additional capital. Assuming no cash flows, Golden Cariboo is expected to do that via equity issuance. Depending on the price of the issuance, such

issuance could be dilutive to existing shareholders. The Company raised approximately C\$3.85 million in the first half of 2024 to fund exploration and operations. However, the Company's stock totals saw a 210% dilution due to these financings.

- ◆ **Challenging current market conditions:** Over the past several years, the capital markets for raising equity in junior mining companies have been very poor. With the increasing gold price, the bulk of the junior mining equities are still experiencing a depressed financing market. Raising additional and increasing needs for capital to advance the Company's project may be difficult in this market without positive results and/or ongoing support of its shareholders.
- ◆ **Weather:** The Company operates in the central BC interior plateau, where the non-snow exploration season is generally only six to seven months long. This is a short period to generate significant results to support the advancement of projects and the Company's need for results to support the market throughout the full year. The region can be operated year-round, but costs at the exploration stage are generally prohibitive.
- ◆ **Jurisdiction and location risk:** Golden Cariboo is operating in the Province of BC, generally referred to as a Tier One jurisdiction for mining development, a generally positive situation. The Company still needs to operate according to the region's permitting procedures for exploration and development. Timelines for exploration permitting are acceptable. The Company's projects are well located in an accessible region of BC. Infrastructure is improving in this region in support of mining development with the re-start of the Barkerville mines and the QR mill by Osisko Development Corp.
- ◆ **Fire hazard:** The Company operates in a heavily forested region of the province. Forestry operations are ongoing on their property, and they use forestry-related roads to access the project for exploration work. Summer forest fires are a concern in this region, and the province may close relatively large areas from industrial work, including mining exploration, in times of high fire risk and/or during ongoing actual forest fires in the region. The 2024 work season started with significant wet weather that allowed for ongoing exploration. No delays or closures are reported in this region for this exploration season at this time.

## GOLD COMMENTARY

The gold bullion price reached a new high on August 19, 2024, of US\$2521/oz. Gold reached new highs this week in other major currencies as well, Yen, and Australian and Canadian dollars. Gold closed this week at C\$3393.64/oz with a trading high of C\$3413.96. This was gold's fifth run to new highs of 2024. The December futures contract closed on August 23 at US\$2547/oz, the same level as the previous week. This higher price than spot indicated that the market is seeing more upside to the metal's price this year.

The drivers of the price rise continue to be twofold: demand by central banks and other safe-haven buyers; and new expectations for interest rate cuts with a recent poor labour market report. We believe these factors to be supportive of further price appreciation this year.

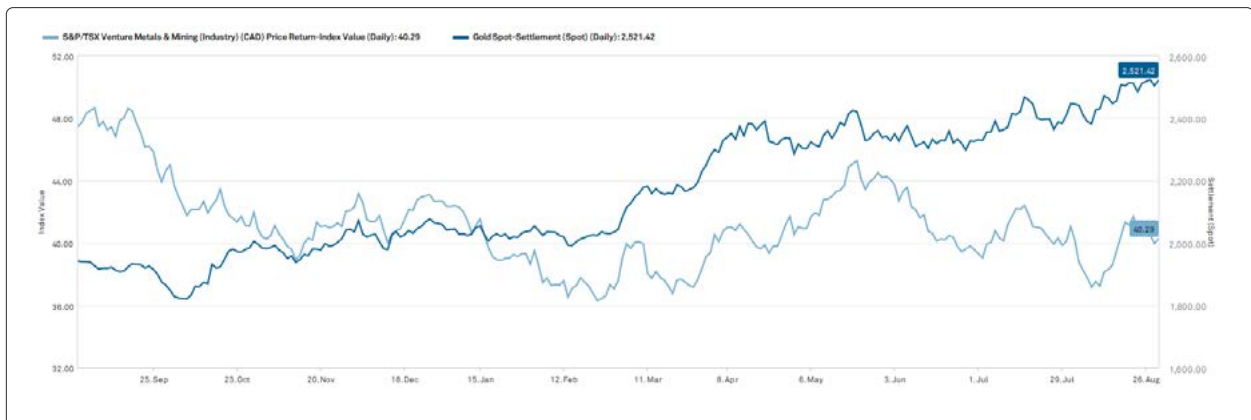
Is this new record gold price helpful to junior exploration companies? They are only looking for gold, and they may not have a compliant resource. If they are found, it could take over a decade to get to production to realize improved margins. The well-known Lasonde Curve for mining stock valuation shows that significant value is made during the discovery phase of a project. That is what investors are positioning



for. It’s been a poor market in terms of financing interest in this sector for a while, except for a few notable stories in Canada. Major discoveries are being made, such as Snowline’s Rogue in YK and New Found Gold’s Queensway in NL.

Is there market interest to support such discovery efforts? The S&P/TSX Venture Metals and Mining Index provided in Figure 17 relative to the gold price shows that market interest is still low overall. Individual companies must work hard in this market to deliver and highlight their positive results to attract continuing market support. GCC’s team has years of experience and market contacts to advance in this challenging and improving market.

Figure 17: Gold price vs. TSX Venture Mining and Metals Index



Source: Couloir Capital, S&P Global

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**Very High Risk:** Venture-type companies or more established micro, small, mid or large-cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who can incur a temporary or permanent loss of a very significant portion of their investment capital.

**High Risk:** Typically, micro or small-cap companies which have an above-average investment risk relative to more established or mid to large-cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large-cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who can incur a temporary or permanent loss of a significant portion of their investment capital.

**Medium-High Risk:** Typically, mid to large-cap companies have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector-specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

**Moderate Risk:** Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

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