

- SPECIAL REPORT -

GOLD BEATS US\$2,000 FOR THE FIRST TIME IN HISTORY!

NQ Minerals Steps Up Gold Production & Gold Focus

“Two Big Gold Mines In The Gold Super-Bull Market”

OTCQB: NQMLF - London AQSE: NQMI

Senior Stock Exchange Listing Being Pursued

Gold Price Today

MARKET IS OPEN (will close in 4 hrs. 43 mins.)

 US Dollar

Gold Price in US Dollars

Aug 04, 2020 12:18 NY Time

Bid

2,000.00

+22.30 (+1.13%) ▲

Ask

2,001.00

GOLD IS IT! Not to plagiarise Coca-Cola too egregiously, but Gold really is the place to be right now and for the foreseeable future. Investors take note: this is what every gold mining investor has been praying for all their lives. Gold has gone so high in value, it is now in uncharted territory.

“Goldman Sachs says Gold will surge another 20% & hit \$2,300 in the next year, driven by rock-bottom interest rates”

(Source markets.businessinsider.com)

“Gold to Reach \$3,000 50% Above Its Record, Bank of America Says”

(Source [bloomberg.com](https://www.bloomberg.com))

“The fiscal and monetary conditions have never been stronger for gold prices, and while the yellow metal already broke records this week by hitting \$2,000 an ounce, Frank Holmes, CEO of U.S. Global Investors, doubled down on his **\$4,000 an ounce** by the end of this bull cycle call.” (Source [kitco.com](https://www.kitco.com))

The Venture Letter™ has dubbed this period



The Gold Super-Bull Market



The price of gold hit a recent all-time: **US\$2,078.00** at the time of this report.

Gold is it. Silver is looking darn good, too. This is the kick off of **The Gold Super-Bull Market** and we hope all our readers manage to profit from this exciting time for precious metals focused investors.

We don't want to spout off like other stock newsletters you may have seen, saying cliché things like "Savvy investors can make millions" or "Retire early on this one stock". We do, however, want to provide insight into a solid, gold-production and project-expansion mining company that just recently started trading in North America.

Not long ago The Venture Letter™ opened its reader's eyes to **NQ Minerals PLC** now listed as **NQMLF on the OTCQB** in the United States and as **NQMI** on the London AQSE. Since our last report discussing NQ Minerals much has happened to bolster the value of this interesting company, vaulting it upward and putting it at the top of our radar.



It is especially **at a never-before-seen time like this** that sound gold mining companies can reach unusually high valuations, translating into unusually high share prices. We feel NQ Minerals PLC is rapidly becoming one such company.

Why We Like NQ Minerals - Value for Shareholders

- ✓ **Two large, Gold mines**; production well underway at its flagship mine and a second high-grade gold mine now being recommissioned
- ✓ **A total, combined resource of some 1.24 million oz Gold at both mines**, plus an additional 27.3 million oz silver; 217,400 tons of zinc; and 276,000 tons of lead
- ✓ Top Gold Mining Professionals with proven, gold-production track records – **over 200 years' combined Gold mining experience**
- ✓ CEO founded & built Sirius Minerals, a stock that ultimately **reached a market capitalisation of over US\$1.5 Billion**, bought out by Anglo American
- ✓ Two key directors from **NYSE-listed McEwen Mining** which itself reached a market cap of over **US\$1.2 Billion** - significant successful, gold mining experience
- ✓ **Very strong potential to outline further Gold resources** at NQ Minerals' two Tasmanian gold mines
- ✓ **Pre-Feasibility Report** work underway for **Battery Metals production (Ni/Co)**
- ✓ **Advanced Gold & Silver exploration projects** in the world-famous Charters Towers Gold District of North Queensland, Australia
- ✓ **Operating in a reputable Tier One country** (Australia) known worldwide for its safe, efficient and profitable mining practices
- ✓ **Solid Gold Structure**: insiders own approximately 30% of the company with the top 5 shareholders holding over 60% of the company.
- ✓ **Second year of precious metals production** underway as the company enters **The Gold Super-Bull Market**

The company started as a producing mining company with the acquisition, then reactivation of the **Hellyer Gold Mine**, Tasmania, Australia in 2018. Since that time, the company managed not only to generate strong cash flow from Hellyer, it also recently announced, much to the pleasure of company shareholders, that:

“...**plant production** at its flagship Hellyer Gold Mine in Tasmania, Australia, has now been **successfully increased by 44% to over 1.3 million tonnes per annum...** compared to 2019's full year plant production numbers... [The] Hellyer plant upgrade exercise has been successfully brought in some **6 months ahead of expectation.**”

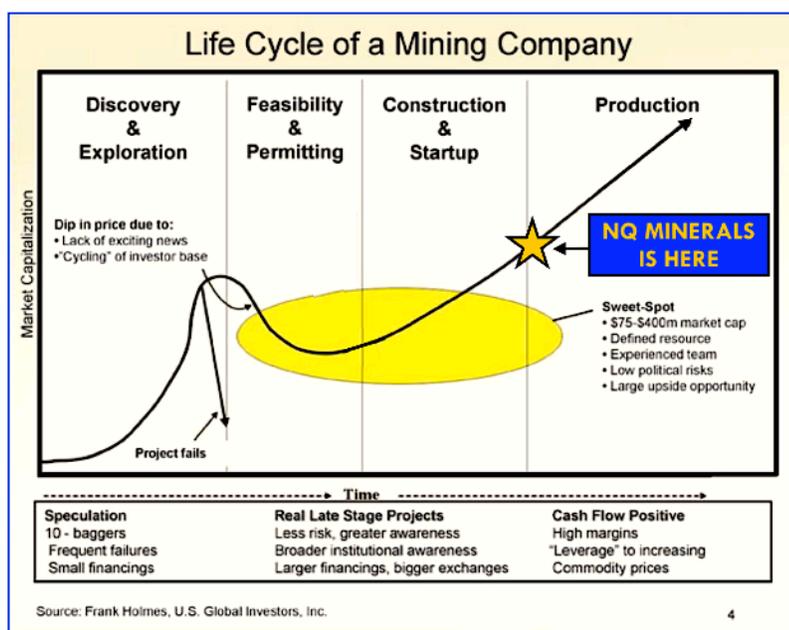
NQ Minerals recently struck an incredible deal to acquire 100% of the high-grade, past-producing **Beaconsfield Gold Mine**, also in Tasmania. This mine boasts resource of **483,000 oz Au*** with significant exploration potential existing to expand the known resource. The Beaconsfield mine comes with a functional processing plant that is currently being recommissioned for future planned gold production.

*Independent JORC 2012 Mineral Resource Statement – 30 April 2020 JORC compliant



On top of its two gold-focused mines, NQ Minerals has branched out into the steadily growing battery metals markets with the acquisition of the **Barnes Hill Nickel & Cobalt** mining project. This project **could greatly add to the company's bottom line** while providing diversification in NQ Minerals' metals production portfolio.

NQ Minerals offers interested investors a unique opportunity. Very few micro-cap, gold-mining companies can boast one operational and profitable flagship mine, plus production scenarios being pursued at two other mining operations.



As we can see in the image to the left showing the **Life Cycle of a Mining Company**, we pointed out roughly where NQ Minerals currently stands. The company is at possibly the best point for new mining investors to do their own due diligence and make an investment decision. At Hellyer, the high-risk Discovery & Exploration phase; the time-consuming Feasibility & Permitting phase; *and* the lengthy, capital-intensive Construction & Startup phase **are all out of the way**. What remains for NQ Minerals shareholders to enjoy is the Production phase, often long-term cash-flowing and quite profitable.

With strong cashflows from Hellyer, the company will be in a good position to advance other assets such as the Beaconsfield Gold Mine. This could/should enable NQ Minerals' market to more fairly reflect the company's strong operational performance and attractive exposure to gold and silver (during a precious metals bull market that many analysts expect to last longer than prior bull markets for these valuable commodities). **With a proven management team backed by a highly-experienced board of directors**, NQ Minerals has had a great start as one of the world's newest and most promising mining companies.

The Hellyer **Gold** Mine

An Excellent Flagship Project

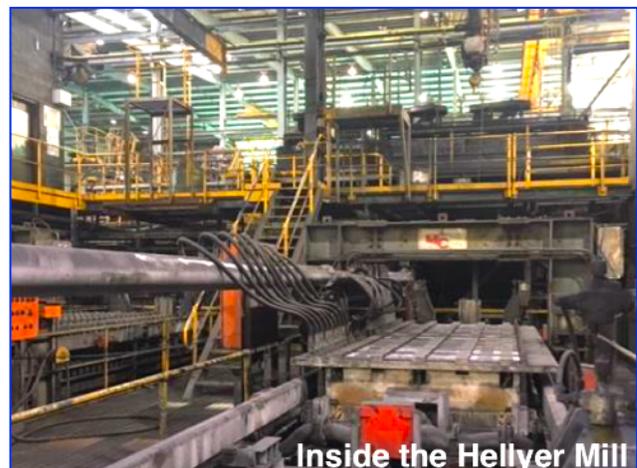


They call it a gold mine as it is **host to 764,000 ounces of Gold** as recently outlined in a JORC Resource Calculation, but this mine has so much more than just gold to its credit. It is rich with **silver, zinc and lead**, too, and has a 10-year mine life outlined thus far.

Just look at the **Silver** resource currently outlined at Hellyer: **27,000,000 ounces** of the nice, shiny metal. With the price of silver having recently reached **US\$28.89 an ounce**, there is a significant store of value in the silver department at Hellyer.

There is very significant value in the contained zinc and lead being produced at Hellyer, too. A **total zinc resource of 217,000 tons** has been outlined with zinc trading at **US\$2,421.87 per ton** (at August 18th, 2020). A **total lead resource of 277,000 tons** has been outlined at Hellyer with lead recently trading at **US\$1,960.00 per ton** (at August 18th, 2020).

Substantial value for NQ Minerals' shareholders exists with all metals in resource at Hellyer. **Combined precious and base metals production** at the Hellyer mine provides NQ shareholders good exposure to multiple metals that trade globally and separately from each other. Diversification is often the safer bet when it comes to maintaining reliable, necessary cash flow.

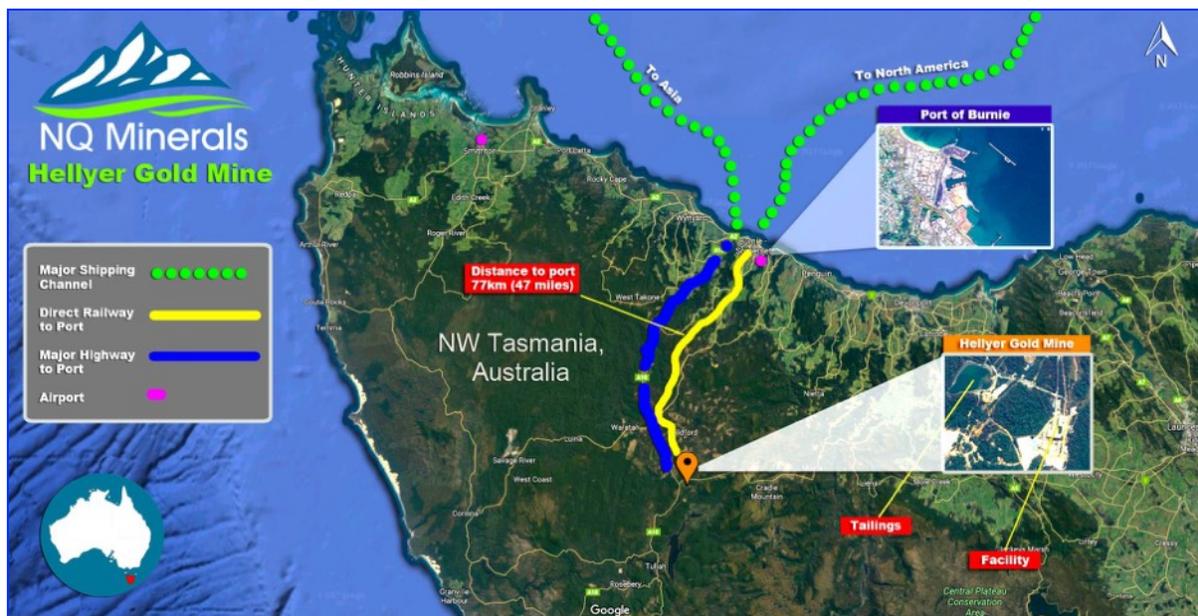




During prior Hellyer operations, production tailings were deposited around 2km from the processing mill. Here they were covered with water to prevent oxidation of the sulphides present therein. **These tailings form the current, strong metals resource at Hellyer.**

The defined metals resource at the Hellyer mine remains open at depth. **NQ Minerals aims to expand metals resources** by drilling beyond the existing mineralised structures. **Nine main drill targets** have been identified close to the existing mine workings.

Drill results from prior resource-expansion drill programs give a strong indication of the remaining potential at Hellyer. Quite often, and **especially in metals bull markets**, positive drill results from resource-expansion and exploratory drilling provide the impetus for a company's share price to improve. Should NQ Minerals be successful in planned, future drill programs, the potential for this to be reflected in the NQMLF share price should be good.



Hellyer Cash Flow Generation

NQ Minerals realised **an operating profit of A\$12.2 million in 2019 (~US\$8.7 million)**, quite a major feat during the initial phase of operations. Hellyer mine operations have exceeded management's expectations with good asset-level cost control. As well, tailings operations are typically low cost. These factors combined **greatly increase the potential for higher cashflow generation and stronger future earnings**. As mentioned prior, the company managed to improve upon its 2019 Hellyer production numbers by 44% which bodes well for future earnings, especially once required project-finance debt has been paid down.

The Beaconsfield High-Grade Gold Mine

Further Shareholder Value

A recently-published Mineral Resource Report has found that the resource in the lower section of the Beaconsfield Gold Mine has increased to 1.454 million tonnes grading **10.3 grams per tonne (g/t)** totalling some **483,000 ounces of Gold**.

And that's high-grade ore.

In February 2020, NQ Minerals signed a staged acquisition agreement to purchase a 100% interest in the historic high-grade **Beaconsfield Gold Mine** in Tasmania.

An additional 67,000 ounces of gold potential exists in Tailings Dam #1, which (if realised) would bring the overall gold resource at Beaconsfield to some **550,000 ounces of Gold**. As at the Hellyer Gold Mine, tailings at Beaconsfield have significant value due to the low-cost nature of the gold recovery process.

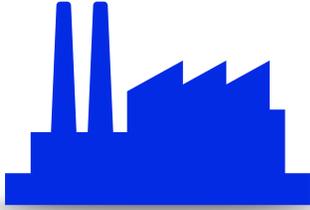


Significant additional gold potential is still to be assessed in the upper section of past Beaconsfield Mine workings from surface to the 415 metre depth level. Plus, the gold-rich Beaconsfield orebody remains open at depth below 1,500 metres.

Beaconsfield Gold Mine Independent JORC 2012 Mineral Resource Statement – 30 April 2020 (using 3 g/t lower cut-off)			
Resource Category	Tonnes kt	Gold grade Au g/t	Contained Metals Au koz
Measured	485	11.4	177
Indicated	492	11.2	177
Inferred	477	8.4	129
Total	1454	10.3	483



At Beaconsfield NQ Minerals has acquired an established, gold-processing plant at a fraction of the cost to build and permit a new one. The company has also managed to avoid the lead time associated with permitting a new facility in Tasmania. This provides NQ Minerals' shareholders an exciting opportunity with exposure to the potential near term re-opening of a high-grade gold operation in Tasmania.



NQ Minerals is managed by some of the **BEST** in the Mining Business.

Have a look at their accomplishments:

Walter Doyle, CEO / Director

40+ years mining industry experience; most recently founded & built Sirius Minerals which ultimately reached a **£1.2 Billion market cap** (~US\$1.5 Billion), bought by Anglo American.

David Lenigas, Chairman of the Board

30+ years mining industry experience; a qualified Mining Engineer with a Western Australian First Class Mine Managers Certificate; **extensive corporate experience at the Chairman and CEO level** on many of the world's leading stock exchanges.

Colin Sutherland, CFO / Director

20+ years mine & finance experience; recently served as president of **McEwen Mining** (NYSE: MUX) ultimately seeing the company's share price improve **by over 600%**.

Allen Ambrose, Director

30+ years mine development, finance & mineral exploration; a long-time, key director of **McEwen Mining** (NYSE: MUX); raised over \$180 million in companies that have discovered well over **\$50 billion in contained metals**.

Roger Jackson, Director

25+ years in mine development with extensive operational and management experience in Australian underground and surface mining.

Greg Lane, Director

30+ years in mine operation, engineering, design and project management; a highly sought-after technical expert, **author of over 70 publications on mineral processing and project development**.

Kevin Puil, Director

Founder and Managing Partner of **RIVI Capital LLC**, a **private equity fund focused on precious metals**; a financier with a wealth of experience in the mining sector; worked as an investment analyst & portfolio manager in the US and Canada.

That's a team that has the power to generate strong value for shareholders.

People bet on people more than anything, so you can see why most would have confidence betting on NQ Minerals' management. The fact that they pulled off the Hellyer Gold Mine acquisition and

reactivation in such a junior company and in such a relatively short timeframe is most impressive. This, followed shortly after by the acquisition of a second, high-grade gold mine at Beaconsfield for speaks volumes about their combined abilities. However, before either of these gold mines came into the picture, **good Blue Sky potential had already been established** with exploration/development in a famous Northern Australian gold district.



Exploration & Production in North Queensland

When we first introduced NQ Minerals, we highlighted the company's exploration and development work in the prolific Charters Towers gold district on North Queensland, a district that has seen over **20 million ounces of Gold** produced to date. And that is not even counting other valuable metals discovered and produced in the region such as silver, copper, zinc and lead.

Here, NQ Minerals owns the Ukalunda project that could prove to be host to *new* mineralised gold and silver trends in an already world-famous mining district. The company is focused on developing and expanding metals deposits, plus **commencing Silver production** from stockpiles found on the Ukalunda project. Ukalunda is host to the historically-producing Sunbeam Mine where over **600,000 ounces of silver** were produced

with silver grades reaching **37,000 g/t** (yes, dear readers... that's a whopping **37 kilograms** of silver per tonne). NQ Minerals is planning to produce silver from stockpiles (ready to crush piles of ore) at Sunbeam which should bring the company further near-term cash flow. Prior drilling at Sunbeam intersected **27.2 metres of 290g/t silver, plus 13 metres of 214g/t silver** - wide drill core intercepts showing good silver mineralization, very encouraging for planned future drill programs.

Results from first-phase drilling at Ukalunda included a **new gold discovery** of 11 metres of 1.4g/t gold; 3 metres of 3.6g/t gold; plus one metre intercepts of 2.95g/t gold and 2.57g/t gold. Further drilling is warranted at this new, gold mineralisation discovery area.

Previously unknown zinc mineralization including one metre intervals of **11.8% zinc and 4.0% zinc** were also encountered. New copper mineralization was hit at depth, also requiring further testing.

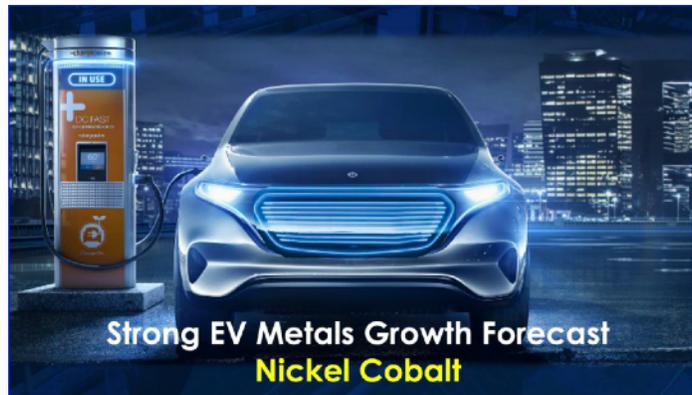


Nickel & Cobalt Production

- The Barnes Hill Project -

A Nice Twist To Maximise Shareholder Value

In June 2019, NQ Minerals announced an investment into **Tasmania Energy Metals** in order to develop an integrated facility to **produce nickel & cobalt** at Bell Bay.



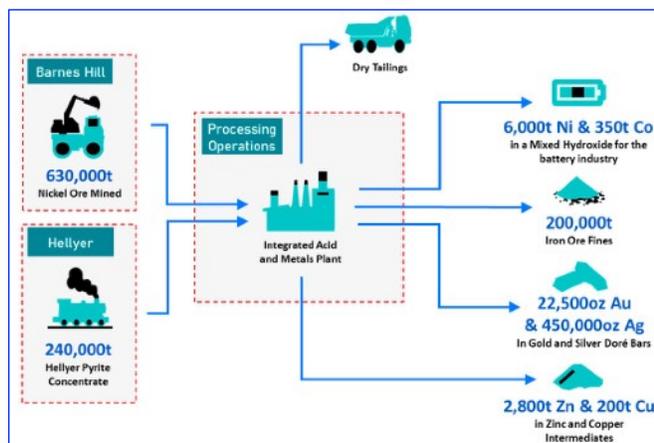
This facility would utilise the pyrite/precious metals concentrate from the Hellyer Mine to **produce low-cost sulphuric acid for use in the production of nickel & cobalt** from Barnes Hill ores. The facility would also enable NQ to fully capture the value of precious and base metals contained in its pyrite/precious metals concentrate. Based on metallurgical test-work performed to date, the project is being scoped to produce some **6,000 tpa (tons per annum) nickel and 350 tpa cobalt, plus 22,500 oz of gold and 456,000 oz of silver** that would be extracted from the Hellyer pyrite/precious metal concentrates.

A recent updated, Barnes Hill mineral resource estimate reports an expanded resource, increased substantially from **14 million tons to 25 million tons @ 0.6% Nickel (“Ni”) and 0.05% Cobalt (“Co”)** based around a 0.25% Ni cut-off grade.

Mineral Resource Estimates at a 0.25% Ni cut-off

Deposit	Class	Tonnes (kt)	Ni %	Co %	MgO %	Fe ₂ O ₃ %	SiO ₂ %
Scotts Hill and Mt Vulcan	Inferred	12,842	0.56	0.04	19.1	24.1	39.1
Barnes Hill	Indicated & Inferred	11,925	0.60	0.05	14.5	27.5	36.1
BARNES HILL PROJECT TOTAL	Indicated & Inferred	24,767	0.58	0.05	16.9	25.7	37.7

The continuing, global move from fossil fuels to electricity is steadily increasing the demand for battery metals. Nickel and cobalt are key metals required for modern battery development. Lithium-ion **batteries** in electric cars commonly **use** either **nickel cobalt** aluminium or **nickel** manganese **cobalt** oxides for their ability to offer a long lifespan and high energy density – a determining factor in how far a single charge can power an electric car.



The mix of precious metals, base metals and EV metals will provide a NQ Minerals with a natural hedge across the full commodity cycle. The company is currently working with consultants to produce a **Pre-Feasibility Study** on the Barnes Hill Nickel / Cobalt Project en route to making a production decision.



Successful Corp. Finance Strategy

From VSA Capital London's 'Buy' Rated "Metals & Mining Initiation Report, NQ Minerals"

(June 8th, 2020)

"Having successfully commissioned and ramped up the Hellyer tailings re-treatment operation in Tasmania during 2019 we believe that, **having demonstrated strong operational performance and profitability**, [NQ Minerals] is now well-placed to complete a corporate turnaround starting with a refinancing of the debt used to fund construction. The recently announced proposed refinancing, with the company's offtaker Traxys and a leading European Natural Resources Bank, will reduce corporate level costs dramatically **freeing up cashflow for shareholders and reinvestment** into the company's broader asset portfolio which includes the Beaconsfield Gold Mine, a previously mothballed high-grade operation which the company is acquiring out of administration for just A\$2.0 million." (~US\$1.43m)

Senior Stock Exchange Listing

On August 3rd, 2020, NQ Minerals' Executive Chairman, Mr. David Lenigas, was quoted in a company press release, saying:



*"Now that the Company's annual accounts have been published showing **solid year on year revenue growth** the Board of the Company has determined that the Company has reached a size and stage of development that it is appropriate to consider what other platforms and exchanges exist to position the Company to take maximum advantage of the Company's maturing operating status."*



We understand this move by NQ Minerals as it should provide the company with a **broader investor base including better access to institutional investors**. It will certainly boost the company's profile, enhancing credibility and its status with potential investors. **Tax incentives** are typically available for investments in companies listed on senior stock exchange, attractive to both individual and institutional investors.



- In Conclusion -

The world is in a strange, new era. With the Covid-19 virus terrorising the world, countless jobs lost, economies suffering, rock bottom interest rates in-place and fiat currency being pumped into the financial system with little to no checks and balances being applied, we feel tangible 'bricks and mortar' assets are a good bet for the foreseeable future. **Stores of wealth like gold & silver** are key at times like this. Plus, having steady cash flow from the production of multiple in-demand metals during these turbulent times is paramount.

Known as a focused company-builder, NQ Minerals' CEO Walter Doyle has extensive experience in adding value to the companies he leads.

We feel Walter Doyle and his team are building NQ Minerals into a strong, gold-focused company that should continue to provide shareholders upside value during and following The Gold Super-Bull Market.

We feel the prospect for shareholders of **NQ Minerals PLC** is good. We expect to see substantial growth in this company in the months and years to come.

For more information, contact the company at info@nqminerals.com, or visit the company's website at www.nqminerals.com.

Good luck and good hunting.



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The Chairman of NQ Minerals PLC, Mr. David Lenigas has reviewed and approved the information contained in this report. As of the date of this Special Report, principals of The Venture Letter™ own 25,000 shares of NQ Minerals PLC.