

*Tormont50: Identifying timely topics and trends in the sub-\$300 million market.*

Research Type: **Developing**

Timeliness: **Intermediate**

Date: **October 25, 2017**

## Tartisan Resources Corp.

**TTC \$0.105**

Canadian Securities Exchange (CNSX) | Market Cap \$7.7M



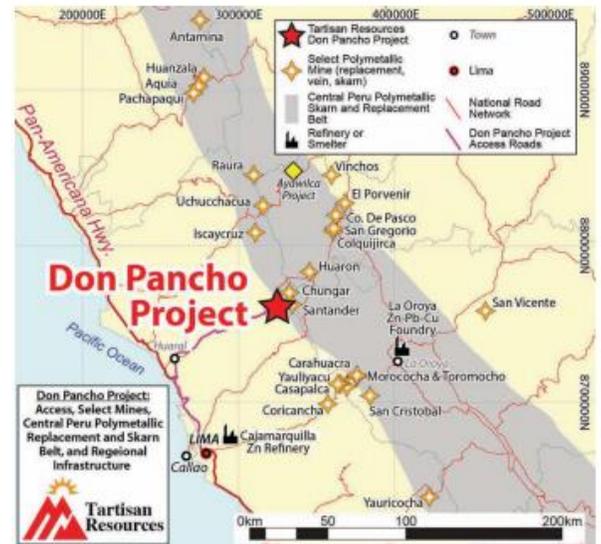
**Description:** Tartisan Resources Corp. (Tartisan) is a Canadian mineral exploration and development company focused on exploring for base and precious metals in Peru at its Don Pancho Zn-Pb-Ag and Ichuña Cu-Ag projects, in which the Company holds a 100% stake; and at the La Victoria Au-Ag project through Eloro Resources, in which the Company holds a 20% equity interest and 2% NSR. Tartisan has been active for ten years in Peru, one of the most mining friendly countries in the world. On October 20<sup>th</sup>, the company also announced plans to acquire in an all-stock deal Canadian Arrow Mines, whose main holding is a 98 million lb. nickel asset in northwestern Ontario.

**Location is Everything:** Tartisan’s opportunity lies in the close proximity of its properties to major mining operations run by industry leaders in each region. The Don Pancho Project is situated in the Central Peru Polymetallic Belt, which hosts several world class mines. Similarly, the drill-ready La Victoria project is located in a region populated with, large, low-cost producing Au mines and with established infrastructure. The Ichuña project is located 3km from the recently discovered San Gabriel Au-Ag deposit in southern Peru, an emerging mining district with a bright future.

**Don Pancho Progress to Date:** In late July, the company announced plans to submit an environmental impact assessment (DIA) report to the Ministry of Energy and Mines in Peru in order to obtain a drill permit at the Don Pancho

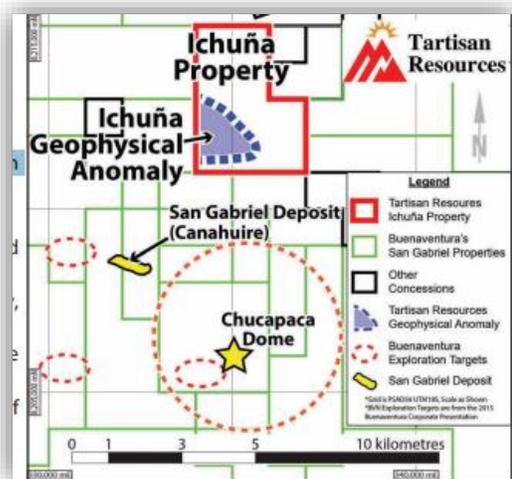


location. Tartisan will initially apply for a permit allowing for the construction of up to 20 drill pads and an exploration adit (mine entrance) of up to 50 metres.



**What makes the property so interesting is that there is strong evidence that the previous operator, who drilled six diamond drill holes in 2014 totaling 2,021 metres, most likely misinterpreted the structure.** Structural analysis on the geology in this area suggests that the drilling was sub-parallel to any potential mineralized zones, thereby missing an accurate rendering of the true mineralization of the project. Tartisan intends to use this structural analysis to define and locate new drill targets, which the company believes could identify better pay zones. The project is located in a prolific poly-metallic mineral belt in Central Peru, with similar geology to some of the area’s most successful mines.

**Ichuña:** The Ichuña project is a fascinating piece of property, contiguous to the San Gabriel Project. This important San Gabriel gold-silver discovery was announced in 2010 and is now owned by Buenaventura, which paid \$81-million (U.S.) to Goldfield for the



remaining 51% interest. Currently Buenaventura is proposing an underground mine at the project, specifically on the Canahuire gold zone, which is located just three kilometres to the south of Tartisan's Ichuña project. Although prior work on Tartisan's property was incomplete, it did identify a large IP geophysical anomaly trending northwest-southeast measuring over 1,500 metres in length. **This structure is very similar in appearance to Buenaventura's Canahuire zone**, making the Ichuña structure a very exciting area for future testing.

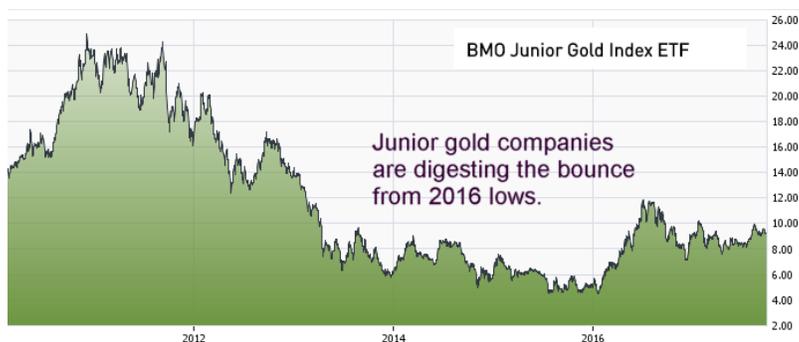
**Eloro, La Victoria:** In September 2017, Eloro received permission to drill up to 10 sites within the Rufina zone of the La Victoria gold/silver project. **This zone has never been drill tested even though significant gold mineralization outcrops at surface.** This is a sizeable potential pay zone, with recent geological work suggesting that the mineralized target zone in Victoria-Victoria South is up to 200 metres wide and extends south for at least two kilometres along strike, likely connecting with the Rufina zone. This

is part of an extensive multiphase epithermal gold-silver mineralizing system on the La Victoria property. Interestingly enough, three other low-cost producing gold mines are visible from the property. Eloro plans to carry out an aggressive drill program at Rufina while at the same time proceeding with drill permit applications for other major target areas.

**The Latest:** In October 2017, Tartisan purchased Canadian Arrow, a company focused on acquiring and developing economically viable nickel sulphide deposits near existing infrastructure. Canadian Arrow's main asset is the Kenbridge Nickel Project (Ontario), a nickel-copper sulphide deposit containing over 98 million lbs. of nickel in Measured & Indicated Resources. **The deposit is equipped with a 620m shaft and has never been mined.**



**The Opportunities:** The prize for all junior minors always starts with "the discovery," so Tartisan's need to find minerals in commercial quantities on its properties is no different than at other juniors. However, what differentiates the company is that it is not a one-play story, but has multiple shots at this essential outcome, all possible with relatively low outlays. With some metals just coming off of multi-year lows, **the company has been able to acquire promising polymetallic properties at very reasonable terms.** Tartisan's management utilizes a common theme for these properties. They must have: proximity to producing fields; some prior, but unfinished or inadequate geological or development work from a previous operator; and the potential to be quickly monetized through a carefully planned drilling program. By stepping in to complete or improve on prior engineering, the company believes that it can benefit from earlier efforts at a fraction of the cost.



With only an \$8.4M market cap, this strategy offers investors multiple attempts at low-cost discovery, with very big upside if even just one site proves to hold substantial proven resources. The stock chart clearly mirrors the other juniors, but beyond ties to industry sentiment, the company will have non-commodity related catalysts over the next year. Given the size of nearby mines and the intriguing site dynamics, Tartisan's drilling results are well worth monitoring.

Tormont50 Research 10/25/2017

*Tormont50 is a venue for highlighting timely ideas and trends in individual stocks and the market.*

*Tormont50 is not an advisory service, and does not*

*offer buy, sell, or any other rating on the securities we discuss. The stocks we select for commentary are derived from our own research or via suggestions from Tormont50 members. We encourage participants to submit stocks or topics for discussion. Our goal for this project is to create an exclusive, “concierge” research platform that will serve both management teams and portfolio managers within the Tormont50 universe.*



This message is intended only for the personal and confidential use of the designated recipient(s) members of the Tormont50. If you are not the intended recipient of this message you are hereby notified that any review, dissemination, distribution or copying of this message is strictly prohibited. This communication is for information purposes only and should not be regarded as an offer to sell or as a solicitation. This material is based upon information which we consider reliable, but we do not represent that such information is accurate or complete, and it should not be relied upon as such. This information is current and is subject to change. Past performance is not an indicator of future results and the value of the holdings and the income derived from them can go down as well as up.