

Newrange Gold Corp.

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Noble repeats Outperform rating on Newrange Gold following positive drilling results at Pamlico gold project

Noble Capital Markets on Friday reiterated an Outperform rating on Newrange Gold Corp (CVE:NRG) (OTCQB:NRGOF) a day after the miner revealed positive results from its reverse circulation drilling program at the Pamlico gold project in Nevada.

The Vancouver-based company sank over 2,500 metres of reverse circulation drilling over 14 holes on the property, where the gold and silver mineralization consists of higher-grade structures surrounded by lower-grade material observed in previous drilling.

In the 14 holes reported Thursday, one hole returned 6.1 metres at 1.1 grams per ton (g/t) gold, including 3 metres at 5.4 g/t and 1.5 metres at 9.5 g/t gold.

READ: Newrange Gold reveals positive new drill results from its ongoing campaign at Pamlico gold project

"The initial assay results were not out of line with our expectations and will help define the continuity of mineral zones and higher-grade areas," wrote Mark Reichman, a senior analyst. "While most of the gold was oxide within 100 meters of the surface, drilling at several targets intersected sulfide material that confirmed results from geophysical surveys and imaging."

Going forward, Reichman noted that management expects to drill at least 3,000 meters in 25 additional holes at the Gold Bar and Good Hope mines in areas that are already permitted as part of the initial program.

"In its entirety, the program will entail 10,000 meters of drilling and utilize reverse circulation rigs for shallow targets and diamond drilling for targets at greater depth," he said.

Stock price attractive entry point

Reichman also said Newrange's stocks looks attractive for another reason — price. Shares fell more than 48% on Thursday amid a broad decline in mining stocks.

"We speculate most of the selling was retail driven, perhaps by those expecting higher grade intercepts akin to 2017 drilling results associated with the Merritt Zone and Decline," he wrote. "It is early in the drilling program and we think the sudden profit-taking in the shares offers an attractive entry point for investors."

Noble has a price target of US\$0.25 on the stock, which recently traded up by 14% to US\$0.16 a share in New York and by 13% to C\$0.21 a share in Canada.

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1 Year Share Price Graph



September 2019 March 2020 September 2020

Share Information

Code: NRG
Listing: TSX-V
Sector: Gold & silver
Website: www.newrangegold.com

Company Synopsis:

Newrange Gold Corp. (TSXV: NRG) was incorporated in 2006 as Colombian Mines Corporation, dedicated to exploring high quality mineral properties in Colombia. In July 2016, the Company diversified into the United States by acquiring the high-grade Pamlico gold project in Nevada, now expected to be the center of exploration efforts in the coming years.

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