

Friedland likes Fjordland's chances of finding nickel

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I keep coming back to a recurring theme of micro-cap mining stocks with leverage to drilling results. In an overall market that continues to get battered on a regular basis, I find these could provide a beacon of opportunity. After all, they're already so cheap that it's hard for them to go down much further, but if they hit anything of significance it's possible they could rise materially. Almost a free option for investors. Of course, the flip side is if the company has no success with its drilling program, they would have to try and raise new equity in what is likely a very challenging environment, if anyone is even willing to provide any funding at all. Additionally, new equity in a tough market can also be very dilutive as those friendly Investment Bankers, who always claim to be looking out for your best interest, put the screws to you because they can. This isn't intended to be a slam against I-Bankers, it's simply the way of the capital markets.

Regardless of how fair the markets may or may not be, let's look at what opportunities might be lurking out there at present. Today we're going to discuss a company that recently raised some cash, has a very deep-pocketed JV partner, is just finishing one drill program and is about to start another. That company is [Fjordland Exploration Inc.](#) (TSXV: FEX), a mineral exploration company that is focused on the discovery of large-scale economic metal deposits in Canada. In collaboration with Ivanhoe Electric Inc. (TSX: IE | NYSE American: IE) and Commander Resources Ltd., Fjordland is exploring the [South Voisey's Bay](#) (SBV) "Pants Lake Intrusive" target which is in a geologic setting analogous to the nearby nickel-cobalt-copper Voisey's Bay deposit. Fjordland

is the operator of the [Renzy nickel project](#) located near Maniwaki, Quebec which encompasses the former Renzy Mine where, during the period from 1969 to 1972, 716,000 short tons were mined with average grades of 0.70% nickel and 0.72% copper. As well, Fjordland has 2 copper-gold properties in the Quesnel Trough of central British Columbia.

That's a pretty broad and diversified set of assets for such a small company. However, we're going to focus on only two of them today, simply because that's where the drills are turning. Starting with the Renzy nickel-copper project where the Company has an agreement to acquire 100% of the project from Quebec Precious Metals Corporation but has also staked additional claims to increase the size of the project to 530 sq. km. In March, Fjordland announced a fully-funded [C\\$1 million drilling program](#) planning a minimum of 2,500 meters. A 2021 heliborne VTEM geophysical survey generated a number of drill targets near the original Renzy mine and further to the south in an area where no prior surveys or drilling have occurred. The program was expected to be completed by the end of Q2 2022, meaning we can start anticipating results barring any undisclosed setbacks in the field.

The other, and perhaps more intriguing of the two, is the Company's South Voisey's Bay asset. Located 80 kilometres south of the Voisey's Bay nickel, copper, and cobalt mine, the SVB Property is 29,400 Hectares (29.4 Sq.Km) in size. Fjordland entered into a Joint Venture with Commander Resources, which was amended in June 2017 to increase its ability to earn up to 100% in SVB, subject to a 2% net smelter royalty. Subsequently, Fjordland reached an agreement with Robert Friedland's Ivanhoe Electric (IE) to fund the SVB exploration commitments in return for earning 65% in the project. Ivanhoe Electric also purchased shares in the Company which currently stands at roughly 17% of the shares outstanding.

Last week the Company announced that in conjunction with IE, and Commander Resources, the Company is preparing for [a summer drill program](#) on the South Voisey's Bay nickel project. For the 2022 field season, IE has committed to a maximum 2,500m drill program. This represents the first drill program in the area since 2018. Potential targets to be tested have been derived from extensive processing of historical and recent geophysical data including a significant property-wide gravity inversion study and the recently completed SQUID EM survey performed in 2021.

Fjordland raised [C\\$900 k in April](#) which should give the Company plenty of breathing room given the SVB summer drilling program is funded by Ivanhoe Energy. That should provide shareholders comfort to await all the drilling results that will be coming out over the next weeks and months. And the best part is, all this opportunity comes with a market cap of roughly C\$5.5 million. That's about as close to a free option as an investor is going to get.