Digging deeper into Romios Gold

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Junior mining stocks that are “project generators” can be some pretty interesting companies to dig into. Often they are tough to evaluate because they have options on properties, or other entities have options or working owner interest in the project generator’s prospects. Plus there can also be Net Smelter Royalties (NSR) and exploration spending commitments, etc. It can make for a lot of “what ifs” when trying to assess them. Sometimes that’s where investors can find opportunity. If it’s hard to evaluate, then there could be some hidden value lurking for someone willing to do their homework. Not to say that all companies that are hard to evaluate are hidden gems that we should all invest in, but the more you understand about any of your investments, the easier it is to make buy, sell and hold decisions.

But enough standing on my soap box preaching the virtues of due diligence in investing, let’s dive into the fun stuff and look at a project generator with a whole lot of tentacles to assess. Romios Gold Resources Inc. (TSXV: RG | OTCQB: RMIOF) is a Canadian mineral exploration company engaged in precious- and base-metal exploration, focused primarily on gold, copper and silver. It has a 100% interest in the Lundmark-Akow Lake Au-Cu property and 4 additional claim blocks in northwestern Ontario and extensive claim holdings covering several significant porphyry copper-gold prospects in the “Golden Triangle” of British Columbia. Additional interests include the Kinkaid Nevada claims covering numerous Au-Ag-Cu workings and two former producers: the La Corne molybdenum mine property (Quebec) and a former high-grade gold producer – the Scossa mine property in

Nevada.

The Company has a history of staking or acquiring properties in the vicinity of existing mines or major development projects, owned or operated by major mining companies (e.g. Newmont, Teck). These properties are all located within world-class, stable mining districts in Canada and the USA. From there, Romios will either explore the property itself or enhance shareholder value by unlocking potential properties through joint ventures and/or strategic partnerships. Over and above the assets noted above, Romios retains an ongoing interest in several properties including a 20% carried interest in five of Honey Badger Silver's claim blocks in the Thunder Bay silver district of northwestern Ontario; a 2% NSR on McEwen Mining's Hislop gold property in Ontario; and a 2% NSR on Enduro Metals Corp. Newmont Lake Au-Cu-Ag property in BC. As well, there are all the shares of various counterparties they have accumulated along the way. At the end of March, 2022 Romios held 8.35 million shares of Enduro Metals Corp. (TSXV: ENDR), 150K shares of McEwen Mining Inc. (TSX: MUX | NYSE: MUX), 1.1 million shares of Honey Badger Silver Inc. (TSXV: TUF) and 165K shares of Sassy Resources Corp. (CSE: SASY).

You can begin to get a feel of how hard it might be to evaluate Romios Gold but I'll try to sum it all up at the end of the article. In the meantime, the two focus points for current activity revolve around the recently acquired Kinkaid gold-silver-copper prospects in Mineral County, Nevada where the Company just announced assays up to 17.9 g/t Au from previously undocumented prospects on the property. Several poorly documented or unknown mineral showings were discovered by Romios during fieldwork in April, 2022 and sampling has returned encouraging gold results from all of them. Pending copper and silver assays could further increase the potential. Romios plans to undertake a program of detailed geological mapping and

sampling across the Kinkaid property throughout the rest of 2022 with emphasis on the numerous mineralized showings. Diamond drilling of several showings is anticipated.

Last week Romios announced it had begun the 2022 exploration field program on 3 of the Company's projects in the underexplored North Caribou Lake Greenstone Belt (NCLGB) in northwestern Ontario. This belt is home to Newmont's giant Musselwhite gold mine (> 7 million ounces Au in past production and reserves) but has seen relatively little exploration by other companies since the 1980s. At the North Caribou River claims the 2022 program will complete soil sampling and mapping in an effort to define the best targets for trenching and possibly drill testing. At Markop Lake the upcoming geological mapping and prospecting work will be the first concerted effort to explore this large area adjacent to Newmont's Musselwhite gold mine. At Arseno Lake a program of basic geological mapping, lithogeochemical sampling and soil sampling is planned to evaluate the potential of this area to determine if ground geophysics and/or drilling are warranted.

Source: Romios Gold Resources June 20, 2022 Press Release

So what is the value proposition for Romios Gold? Good question. The current market value of the various share positions that Romios holds in other companies is roughly C$1.9 million making for total working capital of just under C$3 million. The market cap at yesterday's close was C$9.5 million implying the market is valuing all the remaining B.C., Ontario, Quebec and Nevada assets not currently under option to anyone at a mere C$6.5 million. The Company has proven to be pretty good deal makers in the past, which poses the question of whether they can option or sell these assets to others at a price accretive to shareholders.