

# West Red Lake Gold's Kontak on the 'positive' gold sector

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"I think that the macro picture is in place for a positive gold sector and we think that is the case for the next extended period of time. Now on the junior level, junior developers like us, we are getting \$13.00 an ounce in the ground based on our resource estimate at the Rowan Mine. These things are going to get revalued at some point. Historically they will get 10 times what they are getting right now per ounce in the ground. We think there is a positive situation ahead in the precious metal sector including gold exploration and development companies like ourselves." States John Kontak, President and Director of [West Red Lake Gold Mines Inc.](#) (CSE: RLG | OTCQB: RLGMF), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

**Tracy Weslosky:** Your stock moved up 27% last week on no news. Do you think investors are looking at gold again John?

**John Kontak:** Of course we are happy to see the movement in our stock. The question would become, I think to some extent, does it look like 2016 again when the gold peaked at \$1,900.00 in 2011 and then we went into a bear market in the gold sector including the juniors? It kind of turned around in 2016. Let me answer that on a macro level and then relate it to the junior sector. On the macro level I think the price of gold in New York right now is being determined by the Federal Reserve policy. They have been increasing interest rates at 25 basis points. That has created a strong U.S. dollar and a weakness in the gold sector. But, there are only so many interest hikes ahead. For every 1% on the T-bill there is \$220 billion dollars of interest given that the U.S. is now under \$22 trillion dollars of debt at

the national level alone. Regardless of what has happened last week, I think that the macro picture is in place for a positive gold sector and we think that is the case for the next extended period of time. Now on the junior level, junior developers like us, we are getting \$13.00 an ounce in the ground based on our resource estimate at the Rowan Mine. These things are going to get revalued at some point. Historically they will get 10 times what they are getting right now per ounce in the ground. We think there is a positive situation ahead in the precious metal sector including gold exploration and development companies like ourselves. We are happy with what happened last week and we think there is more of that ahead.

**Tracy Weslosky:** InvestorIntel audience members out there, we have a bit of a buzz going on with a belief that some of the cannabis cash will be redirected into gold here shortly. We have asked John, because, of course, West Red Lake is in one of the richest gold deposit areas in the world, correct?

**John Kontak:** Yeah. Just to remind your listeners, we have the West Red Lake Project property. It is a 3,100 hectares on the west side of the Red Lake Gold District. We have 12 kilometers of strike length on the Pipestone Bay St Paul Deformation Zone, the regional gold bearing structure that has made the Red Lake Gold District a high-grade gold district that has produced 30 million ounces over time. On the West Red Lake project there are 3 former mines. We have the Mount Jamie Mine and the Red Summit Mine; we own 100%. On the Rowan Mine, which is the most developed portion of our property, we own 60% and operate in Goldcorp, one of the largest gold producers in the world that was founded in Red Lake, Ontario, has 40% and they fund their 40%. We have a resource estimate at the Rowan Mine property. It is 1.1 million ounces graded at 7.6 grams per ton...to access the complete interview, [click here](#)

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