

Why the German News Media Loves Canada's Golden Dawn Minerals

What is better than a Canadian gold mining stock that has nearly doubled in value since the start of the year?

It's better if that stock is being driven higher by German pferdestärke.

How exactly can this happen? Consider **Golden Dawn Minerals (Frankfurt Xetra: 3G 8a) (TSX.V: GOM)**.

This fast-emerging gold mining company is run by a successful German businessman with the backing of many loyal German shareholders – ones who support Golden Dawn because it always does what it says it will do.

This is a German-inspired recipe for success.

It's also the reason why Vancouver-based Golden Dawn has been in the media spotlight lately in Germany.

In fact, the popular Internet investment television channel **Der Aktionar TV** recently ran a news story on how Golden Dawn is a success story in-the-making.

Here's a link to the news story:

<http://www.deraktionar.tv/video/goldpreis-steigt-seit-dezember-deutlich---in-kanada-werden-still-gelegt-minen-wieder-aktiviert-50187855.html>

With regular daily coverage broadcast from the Frankfurter Borse, Der Atkionar (which until recently was called DAF Deutsches Anlegerfernsehen AG) has its fingers on the pulse of some of the best investment opportunities.

They include Golden Dawn. The company is on-track to become a gold producer this year among the gold-bearing mountains of southern British Columbia, Canada.

The company is led by company president Wolf Wiese, a German citizen who has lived in Canada for much of his life, and who knows the mining business very well.

Also, the big volume that the company often trades in Frankfurt is proof of how popular Golden Dawn has become with German investors who want leveraged exposure to rising gold prices.

Due to Golden Dawn's growing popularity with German investors, the company is also regularly featured on **wallstreetonline.de** – another powerfully influential media platform for investors.

Once again, much of the company's popularity is due to the fact that it is very successful at executing on its business plan. In fact, the company is on the verge of making its shareholders fractional owners of a cluster of small gold/silver mines in one of the world's safest political jurisdictions.

In other words, Golden Dawn has succeeded over the past year in achieving a number of important milestone developments. They include the on-going revitalization of three historic, past-producing mines, which should lead to meaningful cash flow this year.



Herr Wiese has also successfully financed all of the company's most important developments. This includes a recent CDN \$5.2 million dollar financing arrangement with a San Francisco-based private equity firm, RIVI Capital LLC.

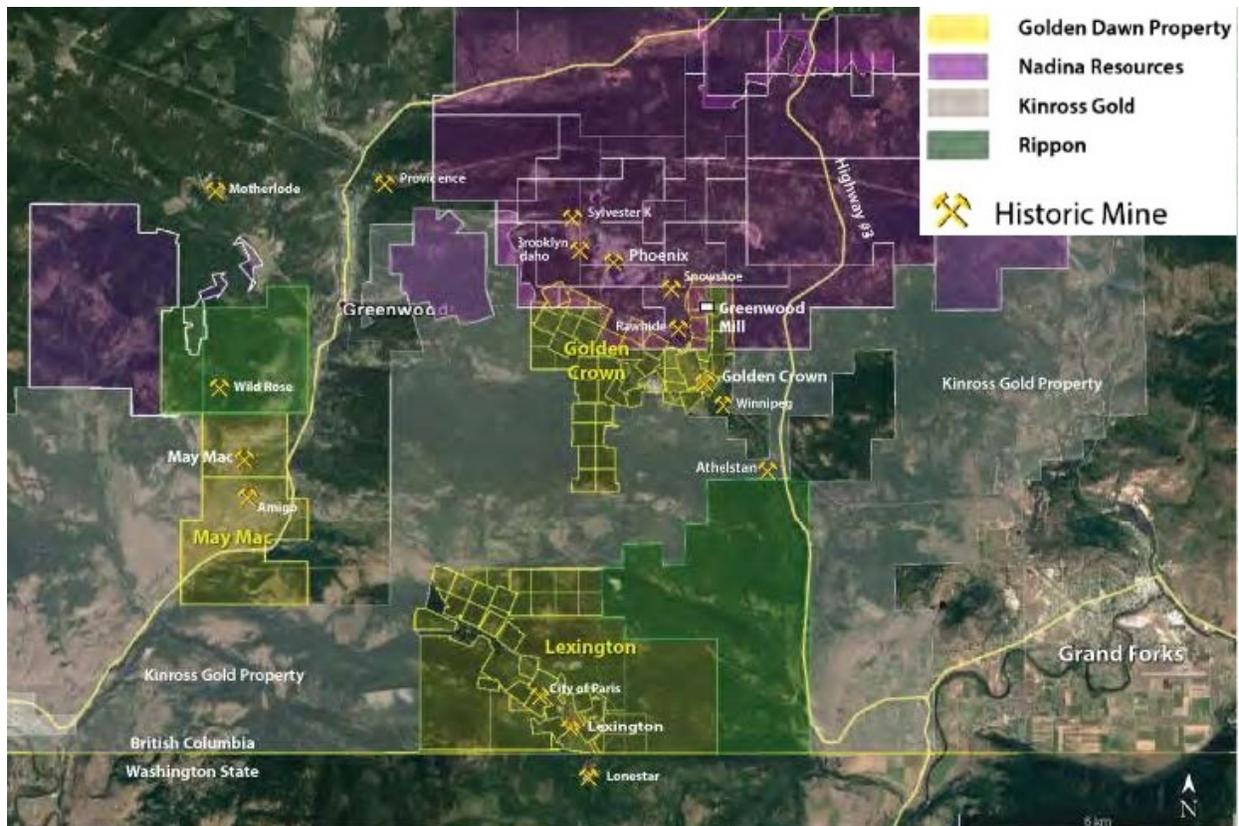
Additionally, Golden Dawn has also vastly increased its land holdings in recent months in an historic gold mining district where plenty of gold still remains.

This is where the company's plans to reactivate more under-developed, historic gold mines that still have plenty of untapped riches which have not yet been revealed by modern gold exploration techniques.

The Road to Becoming a Bigger and Bigger Gold Producer

The company is strategically amassing a portfolio of small past-producing gold/silver mines, undeveloped deposits, and mineral prospects in an historic gold district in southern British Columbia.

This development unlocks the opportunity to explore and develop the best prospects for significant new gold discoveries within an additional 11,000-plus hectares of the Greenwood gold fields. (These new mineral claims, which are being acquired from Nadina Resources, can be seen in purple shading below.)



Most significantly, this expansive land package includes a network of small historic artisanal mines that are far from mined-out or even systematically developed by former small-scale, cash-constrained operators.

Golden Dawn's head geologist, Dr. Matthew Ball, thinks that his company is really onto a company-maker opportunity here. He believes that the surface of these historic gold fields has barely been scratched.

"The land package covers an exceptional abundance of mineral prospects, including 29 past mines and 78 mineral showings," he says. "All of the historic mines are less than 150 metres in depth with the majority being less than 50 metres deep."

"Therefore, the potential for extensions of known deposits is exceptionally high. Additionally, large areas of the property package remain unexplored."

The Phoenix Mine: Untapped Potential for More Gold Mining Success

Among Golden Dawn's new assets are several historic gold mines. They include the past-producing Phoenix mine, which yielded in excess of one million ounces of gold, nearly 18 million ounces of silver and 518,523,951 pounds of copper before the mine closed in 1978.

Now here's where things get really interesting. Just south of the border, the Greenwood gold fields also encompass a number of high-grade gold mines in Washington State. Collectively, they have produced in excess of 7.5 million ounces of gold. This includes several mines that were discovered as recently as the 1990s in what is known as the Boundary District.

Much of this gold production -- particularly in the Republic Graben and Rossland localities -- comes from high-grade epithermal vein systems with "bonanza" grades averaging at least 16 grams per tonne (g/t).

These mines have similar geological characteristics to many of the well-mineralized exploration prospects among Golden Dawn's new land holdings. Yet the fact that gold in the Boundary District is structurally-controlled by fault zones has only been recognized by geologists in recent years.

The solving of this geological puzzle now empowers Golden Dawn to apply the same proven geological model to finding more gold in previously under-explored areas of the Greenwood gold fields.

In particular, none of the past exploration at the Phoenix mine site and surrounding property had targeted a structurally-controlled style of mineralization. This helps explain the limited success of the mine's past operators.

Yet untapped vein "shoots" with bonanza grades as high as 55 g/t (virtually two ounces per tonne) are known to still exist in this area. However, many more may yet be waiting to be discovered.

This is why Golden Dawn intends to make the Phoenix property a top priority with a view to proving up additional high-grade ounces. With this in mind, the prospective re-commissioning of this mine represents a rich vein of opportunity for Golden Dawn.

Additionally, the Phoenix mine acquisition comes with a sizeable and prospectively very valuable tailings inventory that can be reprocessed at Golden Dawn's proximal mill to recover residual gold and copper resources.

What's Golden Dawn's near-term strategy for a district-scale exploration program to determine where best to look first for significant new gold finds?

Dr. Ball explains how he hopes to narrow down the search on an expedited timeline: "Deep penetrating geophysics might be key to exploring beneath the known deposits for new sulphide deposits."

"The aim of this work is to identify extensions to known deposits and new targets, and initial testing of these targets."

Success via the Drill Bit

A successful exploration and development program at Phoenix and elsewhere on the new land package has a key strategic objective: It will build upon Golden Dawn's existing gold inventory, which consists of three small past-producing gold mines -- namely Lexington, May Mac and Golden Crown.

This is where the company is initiating pilot-scale production, beginning with a 10,000-tonne bulk sample from certain high-grade veins at the May Mac mine.

To date, drilling has discovered high-grade mineralization as reported on December 12, 2006. It includes such highlights as 7.95 g/t gold and 135 g/t of silver over a 1.2-metre intercept, as well as 0.5% copper.

This finding suggests that mineralization similar to what was mined much nearer the surface is present at least as deep as the mine's "No. 7" level and that the mineralization continues along a lateral plane, too. In other words, gold and silver of unknown quantities is still dispersed throughout this historic mine.

Of equal importance, the Lexington mine is already permitted, meaning that no regulatory roadblocks stand in the way of it also becoming a turnkey-solution money-maker.

Plans are also underway to re-commission the Lexington mine in Q2 of 2017. Most importantly, the mine is already permitted, meaning that no regulatory roadblocks stand in its way.

In the near term, a minimum 500,000 ounces of high-grade gold and "gold equivalent" (the combined value of the gold, silver and copper) has been targeted at Lexington, May Mac and Golden Crown. The company hopes to achieve this goal by way of exploratory drilling and in-fill drilling, especially in known high-grade gold zones.

An On-Site Mill Means Near-Term Cash with Low Processing Costs

It's also important to note that virtually all the necessary mining infrastructure is already in-place to service all three deposits and any additional mining operations in the area. This includes a modern mill and a tailings storage facility.

Even the Phoenix mine and all the other new prospects are within a 15-kilometre radius of Golden Dawn's mill.

All of these mines, deposits, and other prospects also benefit from ready access to a power grid, a water supply and a nearby highway. They are also close to the city of Greenwood, where a skilled labour force and mining supplies can be easily sourced.

Once the company's first three mines are up-and-running, this will also allow Golden Dawn to benefit from cost-cutting economies of scale. Such a reality promises to lower overall mining costs further and boost the company's future projected profits.

Furthermore, the prospect of bringing additional mines and deposits on-stream at Golden Dawn's significantly expanded land holdings will lower overall mining costs even more and further benefit the company's balance sheet.

Investment Summary

As already mentioned, Golden Dawn's share price is already proving to be a strong performer in 2017. This is due to the prospect of meaningful near-term, low-cost gold production at several of its small gold/silver mines.

At the same time, the opportunity to breathe new life into the prolific, high-grade Phoenix gold mine and several other smaller mines means Golden Dawn may significantly boost its gold production over the next several years.

All of these key dynamics are destined to give Golden Dawn a break-out year in 2017.

Also, the fact that the company has recently made a new high-grade gold/silver discovery at its May Mac mine (that will be discussed in my next article) is another exciting value driver that promises to power the company's share price higher.

In fact, there promises to be a steady stream of positive drilling news in the coming months.

Systematically building a successful business like this is the kind of thing that Germans do best. As you readers already know, Germans don't just stop there. They're continuously improving upon successful business models. For example, just look at Mercedes or Bayer AG.

Wolf Wiese's Golden Dawn is no different. His company won't quit until it has found every ounce of gold and silver among its richly-mineralized land holdings in southern British Columbia. That's why Wiese's loyal German shareholders should expect 2017 to be a very profitable year and a great one for Golden Dawn.

It's also why the German news media will continue to follow Golden Dawn closely. After all, the best is yet to come!

***About the Author:** Marc Davis has a deep background in the capital markets spanning 25 years. He is also a longstanding financial journalist, having worked for leading digital financial news agencies in North America and in London's financial centre. He is also a former business reporter for CBC Television and currently writes for the Huffington Post.*

Over the years, his articles have also appeared in dozens of digital publications worldwide. They include USA Today, CBS Money Watch, Investors' Business Daily, the Financial Post, Reuters, National Post, Google News, Barron's, China Daily, and AOL.