

# Gold Summit Eyes the Numbers, Expects Big Payday

Gold Summit Corporation is a junior exploration company that has assembled an enviable portfolio of “bonanza” drill targets in Nevada, where early tests suggest the possibility of a new “Comstock”- style find.

“The discovery of the ‘Comstock Lode’ in the American West in 1859”... created the dawn of a new era scientifically, economically, and socially.” Using the technology of the era — which would be considered archaic today — this belt ultimately produced some 8.0 million ounces of gold and provided the cash flow that funded the rebuilding of San Francisco after one of history’s most spectacular earthquakes tore it apart.

## The New Comstock?

Dr. Tony Taylor, CEO of Gold Summit Corporation (GSM: TSX-V), boasts some 40 years of international mineral exploration experience, some of it in countries as far away as Australia and South Africa. When asked what sets his junior exploration firm apart from the rest, he zones in on their wholly-owned Monte Cristo property in Nevada, which is part of larger series of holdings in that same area. The company expects to have drill results on at least one of their own targets there before the end of the year.

“It is our belief, based on science and geology” explains Taylor, “that we may potentially have found the new ‘Comstock’. These are what the industry calls ‘bonanza’ targets with very significant upside potential. Specifically, we are looking at orebodies which tend to be oval-shaped — which is unusual — and which have one long, common axis. Our early find at Monte Cristo is 70,000 ounces currently, but the excitement is really the geology. Our ‘shoots’ at Monte Cristo — that’s mining terminology — are very similar to the original Comstock shoots from the 1800s. They suggest very rich zones of concentrated mineralization.”

Taylor continues, “The belt we are exploring is 11 to 12 kilometres long. That’s huge! Miners from the last century extracted gold from this area at a grade of about 3.0 grams per tonne. So far, we have extended this zone down to 1,000 feet. In our tests, we are averaging about 6.0 grams of gold per tonne. Our resource at the McLean Lode — in the same relative area as Monte Cristo — is currently pegged at some 365,000 tonnes, but we have a lot of work still to do. More importantly, the McLean Lode is comparable in size and shape to several of the original Comstock Lodes. Thinking

three-dimensionally, these targets can be envisioned as pearls lying in a string along a large, steeply dipping plane. In other words, multiple, individually viable economic targets, not just one.”

Taylor summarizes, “Our geologists believe there are many shoots here, all potentially very high grade. In some preliminary tests from the same belt we found values of over 100 grams of gold per tonne!” (The company currently has 17 targets here they are testing and expects to have results before the end of the year.)

## “Counter-Intuitive” Economics Suggest Large Payday

Interestingly, today’s Monte Cristo find sits below an older, open-pit gold operation from the 1800s. That in itself is very significant. “Part of the challenge for investors,” explains Taylor, “is to better understand the economics of our business. For example, here at Monte Cristo, we are looking at underground drilling beneath an open pit works, which was operated in the late 1980s and where underground mining was done around the 1920s. So what do the numbers tell us? Are the costs to mine underground going to come in higher or lower than the old open-pit style mining?”

Taylor answers his own question; “Here’s the key. It’s a myth that open pit or surface deposits are cheaper to mine. If we are correct about the potential at Monte Cristo and the surrounding area, then these exceptionally rich deposits, extracted via the most modern technology, will actually cost less than surface mining! This is because we are effectively moving less rock to get to the precious ore.”

## JV in the Carolinas “Ripe With Potential”

While the Nevada property is its flagship project, Gold Summit is also excited about its rapidly-developing program in the Carolinas, which is a joint venture with Astral Mining. The JV agreement, announced on March 13, 2007, allows Astral to acquire a 51% interest in any property within the Saluda Area and the Bear Creek Area in North Carolina after expenditures of U.S. \$300,000.

“Of course, when you think gold in the U.S., the Carolinas are not the first spot

that comes to mind. But that just goes to show how little most people know about our sector. The Carolina Slate Belts were the first place that gold was discovered in the U.S. This was the site of the very first U.S. gold rush, lasting from 1799 to 1949. Over 400 gold occurrences and mines are in this very belt, which extends about 1,000 kilometres. Plus, you have to remember these properties were profitable back at a time when gold was a fraction of the current price. The bulk of the work was done by hand, with slave labour. Having a competent and well-funded player handling this project effectively frees us up to put our energy into Nevada,” Taylor adds.

“So far, we have found a brand-new high-grade gold vein system in the Saluda area in South Carolina, and we have only drilled down to 70 feet,” continues Taylor. “The results, just recently announced, showed 1.98 metres of 17.8 grams of gold per tonne. Clearly more testing needs to be done, but the data so far suggest a very widespread gold mineralization. The potential is considerable; especially if it turns out we have a large ‘bulk tonnage’ resource here.”

## The Bottom Line

Taylor sums up: “We are a small, but aggressive explorer, very attractively priced for investors within the current market environment and with a significantly advanced joint-venture already in place. We have reason to believe that results from our current drill targets in Nevada — a wholly owned property for Gold Summit — will be positive, and the resulting economics from our work there will be very pleasing indeed for our shareholders.” ■

Gold Summit Corporation trades on the TSX-V under the symbol (GSM). At the time of this writing, the company’s shares were trading at \$0.135. For further information, contact Gold Summit Corporation by email at [info@goldsummitcorp.com](mailto:info@goldsummitcorp.com) or by phone at 1-800-925-7201.

Note: This article contains forward looking statements about material factors or assumptions that may impact the future success of Gold Summit Corporation. These factors include the success of testing new technologies; the granting of patents; political factors in areas where the company is operating; and the company’s ability to raise the capital necessary to fund its exploration activities. Gold Summit Corporation’s management believes a reasonable basis exists for making the statements set out in this article. Carry out your own due diligence before investing in any publicly traded company.