



Mercenary Alert: Almaden Minerals Ltd

A Special Alert Musing from Mickey the Mercenary Geologist

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I submit this Special Alert Musing only for you, my loyal subscribers. I realize that many of you cannot follow the markets closely and so may have missed recent news from [Almaden Minerals Ltd \(AMM.T\)](#). Almaden is a prospect generator covered in a Musing sent to subscribers on Friday July 16 and posted on my website the following Monday ([Mercenary Musing, July 19, 2010](#)).

At the time Almaden was trading in the low 90 cents. It reached a high of \$2.04 a week ago today and now is in the \$1.70-\$1.90 range. For those who follow the *Power of Two* investing philosophy ([Mercenary Musing, May 10, 2010](#)), AMM was a double *in only 15 trading days*.

Folks, that's why we play this high risk and high reward game. This news could become a game changer for Almaden Minerals Ltd.

In my Musing I discussed its flagship Elk Mine project in southern British Columbia, two joint ventures with Goldgroup Mining Inc near Vera Cruz, Mexico ([Mercenary Musing, July 5, 2010](#)), and numerous other prospects in B.C., Nevada, and eastern Mexico.

I also noted that Almaden owns a diamond drill, contracts its own crews, and will drill 10 of its own properties in 2010.

Now it has drilled and it has hit. To wit:

The first hole on the Ixtaca zone at the Tuligtic project in Puebla State of eastern Mexico gave this robust intercept: **302.4 meters of 1.01 g/t Au and 48 g/t Ag**, including multiple, high grade vein zones, tabulated here in the [press release](#).

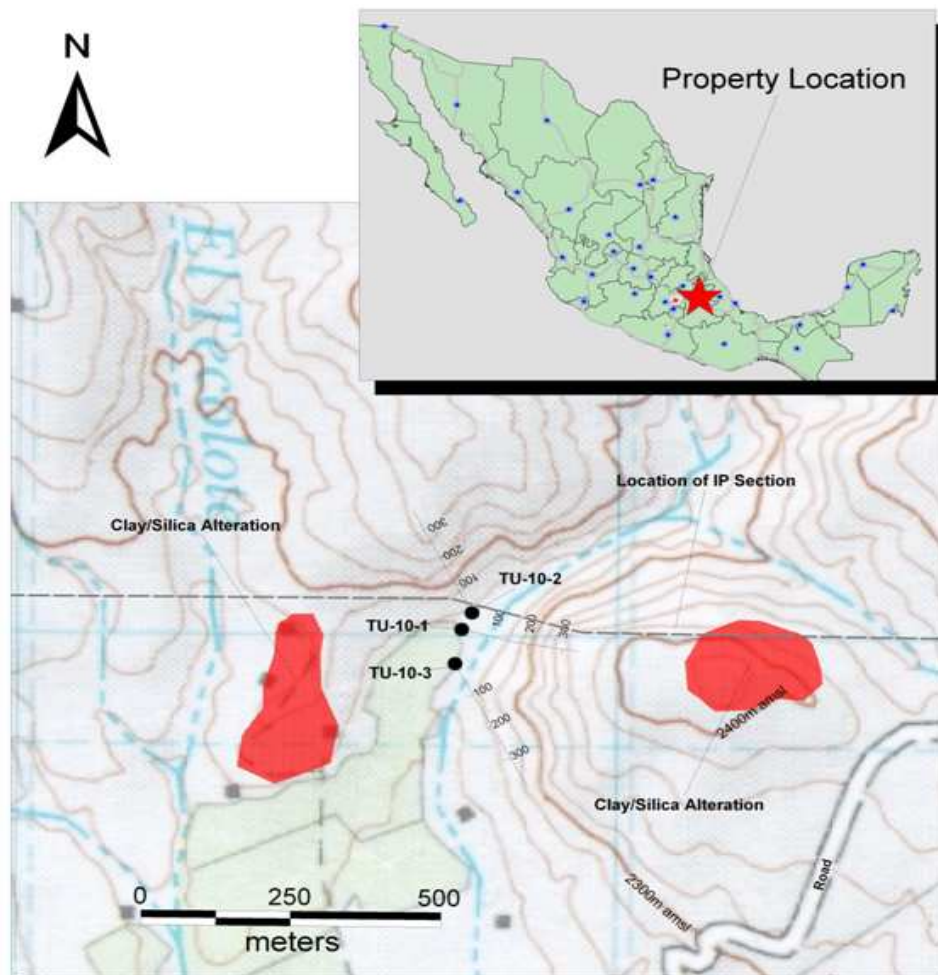
What's equally impressive is the ace detective work that led to target development and success *in the very first drill hole*:

- Ixtaca is a blind discovery in carbonate rocks buried under tens of meters of volcanic ash cover.
- There are local pits once worked for kaolinite clay and containing minor silica veinlets.

- A small outcrop in a nearby arroyo assayed up to 1 g/t Au and 110 g/t Ag. Small cobbles in the arroyo ran up to 6.0 g/t Au and 600 g/t Ag.
- An induced polarization line across the area gave a resistivity anomaly.
- Soil geochemical lines were anomalous in gold and silver.

Almaden staked the ground in 2002 and leased the property to three different companies over several years but *none of those companies did any work in the discovery area*. It took old fashioned boot leather and drilling by a curious geologist to make this discovery.

Because surficial cover precludes an understanding of the strike and dip of the vein zones, the Phase I program consisted of three holes drilled in different directions. The other two holes encountered significant intercepts but of lower grade and narrower widths than the first. It is now thought that hole #1 drilled oblique to the strike, hole #2 drilled mostly in the hanging wall, and hole #3 drilled mainly in the footwall of the mineralized zone:



IXTACA GOLD-SILVER ZONE, MEXICO
Location of August, 2010 Drillholes

If you have heard me speak at investment conferences over the past three years, you'll recall I talk about the *science* versus the *art* of geology. The very best of my peers practice the *art of geology* ([Mercenary Musing, May 5, 2008](#)). An exploration geologist makes a two dimensional map of surface geology, projects his ideas of geometry into the third dimension (below ground), develops an understanding of the fourth dimension (time relations, aka the geological history), and then employs the drill (the old truth tool) to confirm or deny his working hypothesis for location of a mineral deposit.

The Ixtaca discovery is a classic example of a good economic geologist, Dr. Morgan Poliquin, CEO of Almaden Minerals Ltd, using his geological knowledge of epithermal systems to design a multi-discipline surface exploration program followed by an initial drill program that resulted in a discovery in virgin terrane.

I raise my rock pick in salute to you, Morgan!

That said, the Ixtaca play is very early on in the game. It's an exciting new gold-silver discovery in a geologically endowed part of the Earth. It may be a game changer for the company and become a mine generating windfall profits. It may be a one-hit wonder. Odds are it will be something in-between.

Only the drill, time, and money will tell.

Almaden will start a Phase II drill program in early September.

I suggest you follow this exciting new story as it develops. By the way, I am a very happy shareholder of Almaden Minerals Ltd and it pays to sponsor my website.

Ciao for now,

Mickey Fulp
Mercenary Geologist



The [Mercenary Geologist Michael S. "Mickey" Fulp](#) is a Certified Professional Geologist with a B.Sc. Earth Sciences with honor from the University of Tulsa, and M.Sc. Geology from the University of New Mexico. Mickey has 30 years experience as an exploration geologist searching for economic deposits of base and precious metals, industrial minerals, uranium, coal, oil and gas, and water in North and South America, Europe, and Asia.

Mickey has worked for junior explorers, major mining companies, private companies, and investors as a consulting economic geologist for the past 22 years, specializing in geological mapping, property evaluation, and business development. In addition to Mickey's professional credentials and experience, he is high-altitude proficient, and is bilingual in English and Spanish. From 2003 to 2006, he made four outcrop ore discoveries in Peru, Nevada, Chile, and British Columbia.

Mickey is well-known throughout the mining and exploration community due to his ongoing work as an analyst, newsletter writer, and speaker.

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