



## FEATURED OPTIONS RADAR REPORT



### Bulls Bet on Nova Gold's Donlin Project

Ticker/Price: NG (\$9)

#### Analysis:

**Nova-Gold (NG)** buyers active 5000 January \$10 calls \$1.20 to \$1.25 in offer sweeps, a spot with some recent accumulation and a name that has seen January \$8 short puts open 2500X, December \$10 short puts open 2000X, and December \$9 short puts open 2000X. NG has an intriguing set-up with a nice base since May and lagging the precious metal move and that of peers. Shares based just above the 6.8% Fibonacci of the big March to April move. The \$2.9B small miner of gold properties has been fighting what it calls misleading statements by J Capital Research, and notes "Donlin Gold, 50%-owned by NOVAGOLD, is clearly feasible as well as one of the world's largest and highest-grade known open-pit gold deposits, as supported by extensive environmental, technical, and social studies conducted by numerous reputable firms; NOVAGOLD and its partner Barrick Gold are advancing Donlin Gold toward development in a fiscally and socially responsible manner with a strong focus on technical excellence, safety, and environmental stewardship." Paulson and Co has been adding to its position, now 6.16% of the portfolio. NG sees Donlin Gold to be positioned as one of the World's largest high quality gold mine. Analysts have a target of \$30 and short interest low at 3.8% of the float. It has not seen any recent analyst coverage.

#### Hawk Vision:



**Hawk's Perspective:** NG is clearly a more speculative miner but a nice base versus \$8 providing a solid reward/risk if this Donlin project is what management says it can be.

**Confidence Ranking:** \$\$