



September 27, 2016

BULLFROG GOLD CORP.

(OTCQB – BFGC - \$0.166)

PRICE TARGET: \$0.40

RATING: SPECULATIVE BUY

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Low Valuation, High Upside for Innovative Gold Company

Rob Goldman
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COMPANY SNAPSHOT

Bullfrog Gold Corp. is a junior company engaged in the acquisition and exploration of gold and silver properties in the United States. The Company controls or has acquired 2,200 acres of mineral rights on Federal patented and unpatented mining claims in the state of Nevada and is focused on the exploration and development of its flagship Bullfrog Gold Project. The Company also seeks to acquire additional precious and base metal properties having current or historic mineralization with meaningful exploration potential.

KEY STATISTICS

Price as of 9/26/16	\$0.166
52 Week High – Low	\$0.186 - \$0.0052
Est. Shares Outstanding (7/31)	116.8M
Market Capitalization	\$19.4M
Average 30-Day Volume	194,309
Exchange	OTCQB

COMPANY INFORMATION

Bullfrog Gold Corp.
 891 Quail Run Drive
 Grand Junction, CO 81505
 Phone : 970.628.1670

Website: www.BullfrogGoldCorp.com
 Email: info@bullfroggoldcorp.com

INVESTMENT HIGHLIGHTS

Trading at a meaningful discount to its peers, we believe that Bullfrog Gold Corp. offers investors huge upside potential. BFGC has engaged in a clever strategy whereby it has acquired rights to key properties in Nevada that have a history of significant gold production—to the tune of millions of ounces.

The Company's flagship Bullfrog Project's properties are in the Bullfrog Mining District, which hosts an enormous epithermal gold system from which Barrick Bullfrog Inc. produced 2.3 million ounces of relatively high grade gold from open pit and underground mines.

Remaining mineralization in and around Barrick's mines was estimated by the Company to contain 470,000 ounces of gold averaging 0.89 gram per tonne. Importantly, it would not require much more drilling or expense to upgrade these inventories to much higher classifications. Therefore, substantial value could be added during the completion of milestone events, including drilling and programs designed to advance and/or de-risk the Project.

Bullfrog's shares are just plain cheap. At present, the stock reflects only a \$41 value per gold ounce despite industry averages for heap leaching projects over \$100 per ounce in some cases. Thus, we believe these shares could reach our \$0.40 price target in the coming months. We rate these shares Speculative Buy.

COMPANY OVERVIEW

Tracing its roots to 2007, **Bullfrog Gold Corp. (OTCQB – BFGC - \$0.166 – Speculative Buy)** is a junior exploration stage company engaged in the acquisition and exploration of gold and silver properties in the United States. The Company boasts an accomplished and experienced management and technical team that have engaged in a clever low-risk, high upside strategy whereby Bullfrog has acquired rights to key properties in Nevada that have a history of significant gold and silver production—to the tune of millions of ounces.

Through the execution of a series of transactions, the Company's flagship *Bullfrog Project's* properties are in the Bullfrog Mining District located 4 miles west of Beatty, Nevada. This District hosts an enormous epithermal gold system from which a subsidiary of **Barrick Gold Corp. (NYSE:ABX)** produced 2.3 million ounces of relatively high grade gold from open pit and underground ores from 1989 – 1999. Barrick terminated production when gold prices were less than \$300 per ounce. However, given today's gold prices of \$1320+ per ounce, along with established mineralization estimates and other attributes, substantial value could be extracted following a series of milestone events, including exploration and development drilling.

Remaining mineralization in and around Barrick's mines was estimated by the Company to contain 470,000 ounces of gold averaging 0.89 gram per tonne. These estimates are supported by close-spaced drill holes upon which Barrick Bullfrog Inc. produced 2.3 million ounces of gold from proven and probable ore reserves during 1989 to 1999. As a result, it would not require much more drilling or expense to upgrade these inventories to much higher classifications and meet U.S. and Canadian industry standards.

Thus, the Company believes this mineral inventory supports an open pit mining and heap leaching project under current market conditions. Plus, the Company's lands have strong potential for expanding known mineralization as well as discovering new zones. An added bonus is the fact that the Company has access to Barrick's substantial data base to further advance its exploration and development programs.

In our view, Bullfrog Gold offers a unique opportunity for significant capital appreciation in the gold exploration space. At present, the stock reflects only a \$41 value per gold ounce despite industry averages for heap leaching projects over \$100 per ounce in some cases. In essence, investors are paying a discount for the Bullfrog Project. Based on completing the milestones and programs outlined below, we believe these shares could reach our \$0.40 price target in the coming months. Thus, we rate these shares Speculative Buy.

The following milestones and major programs are proposed during the next three years to add value, de-risk the project and position the company to become a producer.

- Update environmental baseline.
- Engage an independent engineering firm to develop a computerized block model, estimate resources compliant with Canadian 43-101 standards, prepare preliminary pit plans and complete a Preliminary Economic Analysis (PEA) along with sufficient engineering information to prepare initial permit applications.

- Submit a Plan of Operations to the BLM and other applications to Nevada and local authorities to permit all foreseeable activities prior to a production decision.
- Complete priority exploration and development drill holes.
- Amend the Plan of Operations, submit other permit applications and obtain all approvals necessary to construct, operate, reclaim and close the Project.
- Complete a bankable feasibility study and conclude a production decision.
- Initiate senior project funding and final engineering and design.

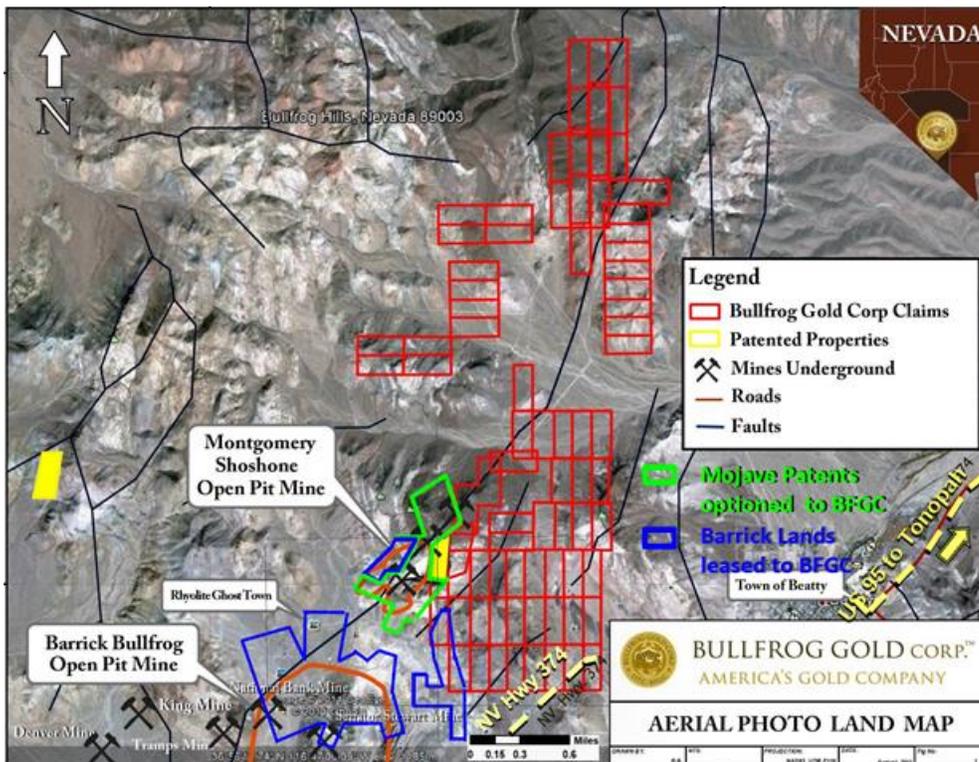


Figure 1: Aerial Photo of Property

THE PROPERTIES

Bullfrog & Montgomery-Shoshone Mines

The Company's Bullfrog Gold Project lies approximately 4 miles west of the town of Beatty and 120 miles northwest of Las Vegas, Nevada. The Bullfrog Mining District has excellent infrastructure and is located in the

prolific Walker Lane Mineral Belt. This District has produced nearly 3.3 million ounces of gold between 1904 and 1999.

Barrick Bullfrog Inc. recovered 1,347,000 ounces averaging 2.4 g/t ore from the Bullfrog pit, 690,000 ounces averaging 8.3 g/t ore from the Bullfrog underground mine, 220,000 ounces from the M-S pit averaging 2.1 g/t ore and 72,000 ounces from the Bonanza Mountain pit averaging 1.7 g/t ore. Barrick terminated mining in late 1998 and milling in early 1999, during which times gold prices averaged less than \$290 per ounce and they did not have low cost heap leaching available. It is estimated that Barrick recovered approximately 1.3 million ounces from lands that have been leased and optioned by the Company from Barrick and Mojave Gold.

Standard Gold Corp., a wholly owned subsidiary of Bullfrog, initially acquired in 2011 a 100% right, title and interest in 79 lode claims and 2 patented claims that cover 1,600 acres subject to a 3% net smelter royalty. In October 2014 Rocky Mountain Minerals Corp., a wholly owned subsidiary of the Company, entered into an Option Agreement with Mojave Gold Mining Co. to purchase rights to 100% of 12 patented mining claims that are contiguous to the Company's property and cover approximately 156 acres, including the northeast half of the M-S pit mined by Barrick. In March 2015, Bullfrog leased with an option to purchase 6 patents (two of which cover the southwest half of the M-S pit); 20 unpatented claims that cover the northern one-third of the main Bullfrog deposit and 8 nearby mill site claims. Bullfrog also gained access to Barrick's substantial data base within a 1.5 mile radius of the leased lands to further advance its exploration and development plans and programs. The Barrick agreement includes all Barrick's water rights appurtenant to the property. To maintain the lease and option, Bullfrog must spend \$1.5 million within five years on the Barrick properties and then pay Barrick 3.25 million shares of Bullfrog stock while providing a 2% gross royalty on production from the Barrick properties.

Company controlled lands now include the entire M-S deposit and the northern one third of the main Bullfrog deposit where Barrick mined nearly 2.0 million ounces by open pit and underground methods. In addition to prospective adjacent lands, these acquisitions provide the potential to expand the M-S and Bullfrog deposits along strike and at depth.

The remaining mineralization in and around Barrick's mines was estimated by the Company to contain 470,000 ounces of gold averaging 0.89 grams per tonne. These estimates are supported by close-spaced drill holes upon which Barrick produced the aforementioned gold from proven and probable ore reserves during 1989 to 1999.

Separately, the Company obtained or has access to all of Barrick extensive project data base, including 157 miles of exploration and development drilling in 1,298 holes throughout the District. This amount of drilling would currently cost more than \$40 million to re-create.

BFGC Current Mineral Inventory Estimates			
Pit Areas	Tonnes Millions	Gold G/T	Gold Ounces
M-S Shallow	1.1	1.06	38,612
M-S Deeper	0.9	0.93	26,813
Bullfrog North	13.3	0.88	375,051
BF NE Mystery Hill	0.9	0.8	26,813
Total/Average	16.4	0.89	469,961

Source: BFGC

INDUSTRY OVERVIEW



Since 2013, the price of gold has dropped significantly after completing an extended bull market and the 10-year and 1-year charts below illustrate these events. Yet, after recently reaching bottom at the turn of the year, gold has taken a decidedly bullish turn and outlook for the yellow metal is favorable, especially given inflation concerns. Interestingly, even with the decline in prices since 2011, gold remains more than 200% higher than it was 10 years ago. Although there are strong indications that the favorable monetary policies of the United States and other industrialized nations is coming to an

end, gold remains a key tool in hedging stock portfolios, combating inflation, and protecting downside risk for fixed income.

With respect to pricing, the timing could not be better for Bullfrog Gold. A renewed physical demand in the yellow metal especially by emerging markets has occurred, driving gold prices higher. Although gold prices tend to move largely based on macroeconomic themes, emerging markets players tend to have a long term approach toward their physical investment in gold. Clearly, this bodes well for Bullfrog Gold and its investors. The consensus among a number of prognosticators seems to indicate a stable environment where prices remain somewhere in the \$1,200 - \$1,400 per ounce range. However, Deutsche Bank's commodity research team believes that gold could reach \$1,700 an ounce in the coming quarters, depending upon central bank policy execution. That represents a roughly 30% gain from current prices.



THE BULLFROG GOLD TEAM

David Beling - President, CEO and Director

- 52 years of experience in the base and precious metal and energy mineral sectors
- Specialized in development, financing and operation of projects and corporations
- Significantly reviewed or examined 80 underground mines, 120 open pits and 160 process plants

- Employed by Phelps Dodge, Union Oil, **Fluor (NYSE:FLR)**, **United Technologies (NYSE:UTX)**, **Westinghouse (NYSE:WAB)** and six junior mining companies, including executive management positions with **AZCO (TSE:AZC)**, **Hycroft (VSE:HYR)/Granges (TSE, LSE: GXL)** and **Geovic Mining Corp. (TSX: GMC)**. Consulting and interim management for 25+ US and Canadian mining companies.
- Director of 14 US and Canadian public and private mining companies since 1981, including three mining companies distinguished by Canada's TSX Venture Exchange as top-10 performers.
- Registered Professional Mining Engineer - Arizona
- Drove approval of an Environmental Impact Statement in 1993, the first for a mine in Arizona
- Spearheaded an IPO in 2006, drove three equity raises totaling C\$112 million and grew Geovic Mining Corp's market capitalization to US \$460 million
- Extensive heap leaching experience, success and performance in Nevada

Alan Lindsay - Chairman of the Board

- Developed strategic vision for placing key mineral assets of NPX Metals into Bullfrog Gold Corp.
- Founder or principal of **AZCO Mining Inc. (TSE:AZC)**, **Uranium Energy Corp. (NYSE:UEC)**, **Anatolia Minerals (TSE:ANO)**, and **Oroperu Minerals (TSX: ORO)**.

Tyler Minnick – Director of Administration & Finance

- Registered member of the Colorado Society of Certified Public Accountants
- 22 years of experience in accounting, auditing and business advisory services
- Specialized in financial reporting and budget preparation and analysis

Clive Bailey, CPG - Lead Geological Consultant

- 42 years of experience with exploration, evaluation, development and operations and closure.
- Former employee: **Nord Resources (OTC:NRDSQ)**, General Minerals, **Harvest Gold (HVG.V)**, Pegasus Gold, **Energy Fuels Nuclear (NYSE:UUUU)** and Cotter Corp. Managed the 13,000 tpd Buffalo Valley gold mine in Nevada

Joe Wilkins - Senior Geological Advisor

- 49 years of experience in the global resource industry
- Credited with the discovery of the 3 MM ounce Bullfrog deposit mined by **Barrick (NYSE:ABX)**
- Former geologist with **Occidental (NYSE:OXY)**, Duval, Gulf Mineral Resources and St. Joe American

FINANCIALS

During the first half of 2016, the Company reduced its debt obligations from \$3.0 million to less than \$300,000, thereby enhancing the Company's balance sheet and its ability to fund and advance the Bullfrog Gold Project. It is our expectation that Bullfrog will raise a small amount of funds in the near term followed by a series of raises after completing investor awareness programs that are in progress.

RISK FACTORS

In our view, Bullfrog Gold's biggest risks relate to exploration and development including results from future drilling programs, resource estimates and technical/economic studies. However, in our view, this risk is largely mitigated by the properties' strong production history and extensive data base. Changes in supply/demand/pricing are typical future concerns and are also consistent with firms of Bullfrog Gold's size and standing.

Volatility and liquidity are typical concerns for microcap stocks that trade on the over the counter market, especially those that are not generating revenue. Finally, the shares outstanding of this stock could increase due to potential capital needs or to execute future property acquisitions. However, since the proceeds of any future funding would be used in large part to advance exploration and development efforts, we believe that any dilutive effect from such a funding would be more than offset by related increases in market value.

VALUATION AND CONCLUSION

Trading at a meaningful discount to its peers, we believe that Bullfrog Gold Corp. offers investors huge upside potential going forward. The Company boasts accomplished management and technical teams that have engaged in a clever low-risk, high upside strategy whereby Bullfrog has acquired rights to key properties in Nevada that produced nearly 2.0 million ounces of gold.

The Bullfrog area hosts an enormous epithermal gold system from which Barrick produced 2.3 million ounces of relatively high grade gold from open pit and underground ores from 1989 – 1999. Barrick terminated production in early 1999 when gold prices were less than \$300 per ounce and thereafter removed their equipment and facilities and reclaimed the Project. However, given today's gold prices, significant mineralization estimates, other project and Company attributes and the important application of low cost heap leach processing, substantial value could be extracted following a series of milestone events, including exploration drilling and front end programs that will add value and/or de-risk the Project.

Remaining mineralization in and around Barrick's mines was estimated by BFGC to contain 470,000 ounces of gold averaging 0.89 gram per tonne. Importantly, it would not require much more drilling or expense to upgrade these inventories to much higher classifications and meet U.S. and Canadian industry standards.

In our view, Bullfrog's shares are just plain cheap. At present, the stock reflects only a \$41 value per gold ounce despite industry averages for heap leaching projects over \$100 per ounce in some cases. In essence, investors are paying a discount for the Bullfrog Project. Thus, we believe these shares could reach our \$0.40 price target in the coming months. We rate these shares Speculative Buy.

RECENT TRADING HISTORY FOR BULLFROG GOLD CORP.

(Source: www.Stockta.com)





SENIOR ANALYST: ROBERT GOLDMAN

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

ANALYST CERTIFICATION

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

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