



Value Investors: 1 Precious Metals Stock to Benefit From High Inflation

Description

Perpetua Resources ([TSX:PPTA](#)), formerly Midas Gold with the ticker TSX:MAX, engages in the [mineral exploration activities](#) in the United States. The company primarily explores for gold, silver, and antimony. The company's principal asset is a 100% owned Stibnite gold project located in Valley County, Idaho. The company underwent a name change to Perpetua Resources in February 2021. The company was incorporated in 2011 and is headquartered in Boise, Idaho.

Lucrative joint-venture agreements

The company is an exploration, development-stage company engaged in [acquiring mining properties](#) with the intention of exploring, evaluating, and placing it into production, if warranted. Mineral exploration and development are expected to constitute the principal business of the company for the coming years. In the course of realizing business objectives, the company enters various agreements specific to the mining industry, such as purchase or option agreements to purchase mining claims, and joint-venture agreements.

Profitable restoration activities

Perpetua Resources's principal mineral project is the Stibnite gold project, which contains several mineral deposits. The company's current focus is to explore, evaluate, and potentially redevelop three of the deposits known as the Hangar Flats, West End, and Yellow Pine, all of which are located within the Stibnite gold project, as well as reprocess certain historical tailings located on the project. These development activities are expected to be undertaken in conjunction with a major restoration program designed to address impacts related to historical activities in the project area. Such restoration activities are an integral component of the company's investment thesis.

Contractual development activities

As of December 31, 2020, the company had 38 employees. A total of 35 employees are employed in

Idaho and are directly related to the mineral exploration and development activities of the Stibnite gold project, with the remaining four persons employed in Vancouver in respect of executive management and administrative support. The company also contracts out certain activities, such as drilling, metallurgical testing, and feasibility study preparation to specialized service providers.

Retaining key personnel

Typically, there could be 20-50 or more persons engaged in field activities on site when actively drilling with multiple rigs, and an additional five to 10 or more people providing support activities in the company's Donnelly site. Significant aspects of the exploration and development business require specialized skills and knowledge in areas that include geology, mining, metallurgy, engineering, environmental contamination treatment, permitting and regulatory compliance, as well as environmental and social policy issues. While recent activity within the industry in general has made it more challenging to recruit and retain qualified employees, Perpetua Resources has been successful to date in recruiting and retaining key personnel necessary to the company's operating needs.

Guiding conservation principles

Given the importance of environmental protection in the development, operation, and closure of natural resource projects, Perpetua Resources has adopted the several guiding conservation principles for the project to align it with the company's core values. The company designs and constructs facilities to minimize impacts to aquatic and terrestrial wildlife and improve habitat across the project site. These principles are expected to serve shareholders well in the current high inflationary environment.

CATEGORY

1. Investing
2. Metals and Mining Stocks

POST TAG

1. canada
2. Editor's Choice
3. TSX:PPTA

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

2. Metals and Mining Stocks

Tags

1. canada
2. Editor's Choice
3. TSX:PPTA

Date

2025/09/09

Date Created

2021/05/26

Author

nikhilwaterloo

default watermark

default watermark