

OTC Markets Group

Joining us today is Warwick Smith, the CEO of American Pacific Mining, which trades on our OTCQB Venture Market, under the ticker USGDF. Based in Vancouver, American Pacific Mining is a gold explorer focused on precious metal opportunities in the Western United States. The Madison Copper gold mine in Montana, under joint venture with Rio Tinto's Kennecott exploration, is its flagship asset. In addition, the Gooseberry Gold Silver Project and the Tuscarora Gold Project are two high grade precious metal projects located at key mining districts of Nevada, USA. Warwick. Thanks so much for joining us today.

Warwick Smith

Thanks very much for having me, much appreciated.

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So Warwick, in the fall of 2020, you joined us for a discussion to introduce us to Pacific Mining's story, and we're very pleased to have you for an update.

Warwick Smith

Yeah, very happy to be back here. A significant amount has happened since we were last on the show. Rio Tinto is onsite and is drilling, as we speak, down in Montana. On the Madison asset, we've added Michael Gentile as a 19.9% shareholder. It's a very well known mining financier and has been incredibly helpful for the company. The company is in a very strong cash situation and has a lot of exciting things going. So 2021 and into 2022 should be exciting times for us.

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For our listeners that are just discovering American Pacific, for the first time. Can you give a little bit more elaborate update on the company and the recent developments?

Warwick Smith

Yeah, happy to. So, as of Christmas this year, we sat down with Rio Tinto, reviewed all the work that they've done. They've spent 3.88 million dollars, U.S., to date, on the project. They've been very excited with what they've seen so far and have geared up to do a significant program this year. They'll be doing up to four-thousand meters of drilling this year, their initial plans to drill both core and what's called RC, reverse circular drilling, but felt some excitement when they were doing some trenching. We put out some great trenching results about two

kilometers away from the known mineralization that we have already. So rather than doing RC, they've switched to a second core rig, which is a more representative sample, by doing core instead of RC, it's a little bit more expensive, but certainly gives you a better idea as to what's going on. We're very excited with all the work that they're doing and investors are always looking for drill results. And we're looking forward to providing those in short order.

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Talk about your mining portfolio strategy in the Western Pacific United States, and specifically the Madison Copper Gold Project in Montana and the partnership you have there.

Warwick Smith

Yeah. We're lucky to be partnered with one of the largest mining companies in the world, for those people who are looking at mining and looking at, in particular, junior mining companies. It is great to find a company that's got a major that's already involved because in many ways they've done a lot of the due diligence for you. So if you are a retail investor, a family office, or a small fund, you can kind of look at something like an American Pacific and say, I like exposure to the space. I like the jurisdiction of being in the Western U.S. And they've got Rio Tinto involved, who've already done a lot of the due diligence in terms of they feel that they can find something. And if they do find it, that they should be able to put it into production. There's a lot of work that goes into that. And it covers up a lot of bases for investors up-front. We have two other assets that are wholly owned. We have the Gooseberry Mine, which is 45 minutes just outside of Reno. High Grade silver gold mine. And then we own the Tuscarora project, which is a high grade epithermal system, a gold asset. Again, about 40 minutes. This time outside of Elko, Nevada. We have optionality with three great projects in the Western U.S, a really strong team backing it and a great partner in Rio Tinto.

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So, now, in connection to the work at Madison; American Pacific was selected as a 2021 finalist for S&P Global's prestigious Global Medal Awards and the deal of the year category. Firstly, congratulations. And secondly, can you provide some insight on this transformational transaction and the opportunities that it has brought to American Pacific and the meaningfulness behind being selected for this award as the only OTCQB traded company nominated in this category?

Warwick Smith

Yeah, we were thrilled with this nomination to put some light into it. The other

companies that are nominated are Cleveland Cliffs, Grains and U.S. Steel, which are all multi-billion dollar companies. So for American Pacific, which has around a 65 million market cap, we were thrilled to be selected. It's a very prestigious award. It's typically for the large cap companies. But I think the fact that we're partnered with Rio and the fact that S&P global saw the transaction as so transformative for the company and the opportunity, that's why we were selected. Look, I think the story is interesting about how we came about this asset. We actually reviewed it in 2016, went underground, and really liked it, but another company beat us out and bought it before we got a chance to bid on it. They did a great job, drilled it in 2017, drilled into the [inaudible 00:05:54]. They brought in Rio Tinto was a partner in April of 2019. And then by June of 2019, they changed gears and they're focusing on psychedelics. So we were able to come in, purchase both the asset and the partnership with Rio Tinto, for what was at the time, a 2.4 million evaluation that we paid all in stock. And that's the transaction that led us to be a finalist for the award. So, yeah, very excited. It's October 14th, that those awards take place. We hope that we win and we'll see how that goes.

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What growth plans does American Pacific have lined up over the next six to 12 months?

Warwick Smith

They're significant. We're fully in growth mode. As you can see from looking at the stock chart, we've been very well followed as of recently, and that's for the excitement that's being created down in Madison, the excitement of the other two projects that we have, we're going to look to drill those projects ourselves, but look to add to the portfolio as well. And then as mentioned before Rio Tinto is drilling at Madison as we speak. So, for the foreseeable future, we're going to have a significant amount of news flow and be fully into growth mode. We're well capitalized, we've got over \$5 million in cash. We've got \$4 million of warrants that are well in the money. And right now we only spend about a 100,000 dollars a month. So we're in a really strong, strong position, especially with now a real core shareholder in Michael Gentile, who is a 19.9% shareholder, put a lot of excitement into the company.

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American Pacific began trading on the OTCQB Venture Market in August, 2020, marking a one year anniversary on OTCQB, the company also trades on the CSC. How does cross trading on the OTCQB market leverage your investor strategy in the U.S.? And what is your long term goal for trading on our

marketplace?

Warwick Smith

QB has been big for us. It opens up the opportunity for U.S. investors to not only have access to the company, but understand the seriousness of what we're looking to do. It's a very strong platform. It's the perfect style platform for a company that's our size. As we grow, we'll grow within the OTC markets group. We absolutely intend to do that. There is a very good U.S. shareholder base that is continuing to grow, and QB has been a big part of that.

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Well, Warwick, again, thank you for your time and the updates, and hopefully we'll talk soon, later this year.

Warwick Smith

Thank you so much. Really appreciate you having us on.

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American Pacific Mining trades under the symbol, USGDF on our OTCQB Venture Market.

**This is an autogenerated transcript and may contain typos.*