

**Rios de Oro Project**  
(proposed)  
Will Barkley, Director



**Alaska Gold Dredge, Solomon Mines, 1985**



**DSC Marlin Dredge, 2013**

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For hundreds of thousands of years the gold bearing volcanic backbone of the Andes has been giving up some of its treasures to the relatively short rivers flowing west to the Pacific. These magnificent mountains are broken into rocks, gravel and sand while a few billion troy ounces of gold are freed to make their way to the ocean.

The water borne mountain remnants move west to the Nazca Plate which reverses the flow back under the South American Plate. All of this geologic activity is just to give us a chance to dip into the circuit to remove a miniscule amount of the gold for our enjoyment and pleasure.

Historically, most alluvial (placer) mining activity has occurred along rivers because the recovery technology is extremely simple, for example, panning and/or sluice boxes. However, the quote below discusses panning on the beaches near Nome, Alaska, which began over 100 years ago and continues to the present day with offshore dredging technology.

**“During the early 1900’s, over 5 million ounces of gold were recovered above the high tide mark and beaches above. The value of that gold today would be approximately \$8,000,000,000.”** Ref: <http://www.bluewatergold.com/about/>

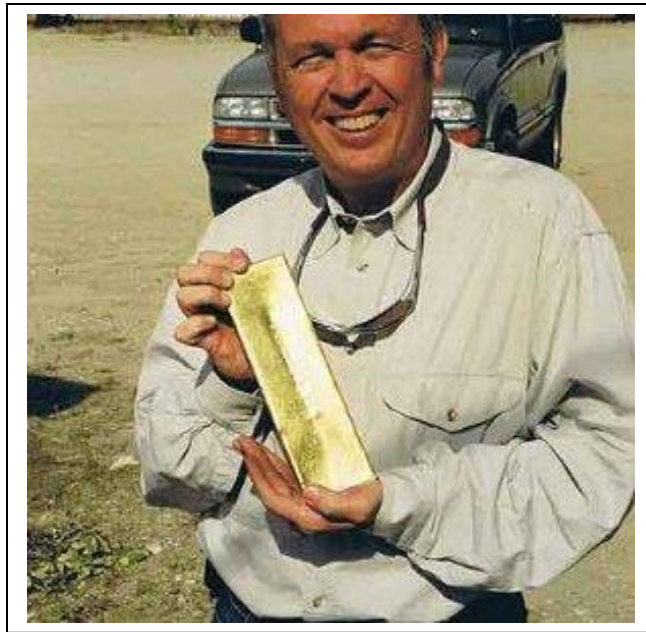
Another reference for the Nome gold rush is: [http://en.wikipedia.org/wiki/Nome\\_Gold\\_Rush](http://en.wikipedia.org/wiki/Nome_Gold_Rush)  
The estimated gold recovery from beach sands is estimated at 112 metric tonnes. A metric tonne is 32,150 troy ounces, worth approximately \$50 million at a \$1600/ounce gold price.

An indication of the ongoing interest in the Nome area can be found at this link:  
<http://dnr.alaska.gov/mlw/mining/nome/>

**The simple fact I want to present in this summary is that, for thousands of millennia, the west flowing rivers on the west coast of South America have been depositing gold when and where they encounter the Pacific Ocean. The same technology that allows Blue Water Gold, LLC (quoted above) to recover 30 ounces of gold per day can be used to recover 10 times or 100 times that amount at the mouths of our subject rivers.**

I have looked at the pros and cons of Ecuador, Peru and Chile as locations for beginning one (or more) offshore gold dredging operations. Peru is out because of the politics and Ecuador turns out to be the runner up for Chile, Chile is the ideal prospect with a length of 2,700 miles, a maximum width of 150 miles and a multitude of large, gold bearing rivers flowing into the Pacific. <http://www.geographia.com/chile/>

The attached “Sovereign Man” newsletter dated February 21, 2013 from Santiago, Chile provides other reasons for choosing Chile as the best country for the creation of an offshore gold dredging business.



**Stan Grist with gold bar  
Ecuador placer mining**

From: <http://www.sciencedirect.com/science/article/pii/0025322796833457>

Abstract “Morphology of the San Antonio Submarine Canyon” off Valparaiso, Chile.

A multibeam survey was conducted over San Antonio submarine canyon, near Valparaiso, Chile, in April and May 1993 using the SeaBeam 2000 system on the R/V *Melville*. The bathymetric data from this survey reveal a canyon with an overall sinuosity of 1.25, a broad, roughly U-shaped cross-section along most of its length, and an almost constant channel slope above the forearc structural high. The course of the canyon is deflected to the north by a prominent structural high opposite the town of San Antonio. SeaBeam 2000 side-scan sonar data reveal high backscatter material on the floor of the canyon with a longitudinal fabric, reminiscent of stream braiding, and point bars formed on the inside of channel bends. We interpret this high backscatter material to be coarse sediment, transported down the canyon as turbidity currents. The source of these turbidity currents is probably the Rio Maipo, which enters the ocean near the head of the canyon.

# Sovereign Man

## Notes from the Field

February 21, 2013  
Santiago, Chile

Yesterday I had the opportunity to break bread with a good friend of mine who is an alumnus of the Startup Chile entrepreneurship program.

This is a really unique program that the government launched in 2010 at the behest of one of Chile's leading entrepreneurs. In its first few months, Startup Chile brought 22 entrepreneurs from 14 countries to Chile, providing each with \$40,000 in equity-free seed capital, residency permits, and access to local investment capital.

My friend was part of the very first group, and I'm proud to say his company has gone on to become quite successful. The firm has grown from zero to over a dozen employees, and they're on track to bring in a few million dollars this year.

The best part about it, as he told me, is how easy they are making it to do business in Chile. I already wrote a few weeks ago about a recent law that will allow people to register new companies, for free, instantly.

This is truly groundbreaking. Even in places like Hong Kong and Singapore, which are consistently ranked as THE best places to do business, there is some time and expense involved with registering companies.

More importantly, though, they make it really easy for you to actually be here and do business. Productive foreigners are welcome here with open arms. You can become a Chilean resident by demonstrating a modicum of financial means, by starting a company, or simply by signing a work contract with a Chilean firm.

This means that if you come to Chile and start a company, you have incredible latitude to hire whomever you like, no matter where they're from. My friend (who is European) has hired several Chileans, North Americans, and Europeans, all of whom are working for him in Chile.

Curiously, Chile has one of the lowest unemployment rates in the Western Hemisphere. Nobody here is moaning about foreigners 'stealing their jobs'. Quite the opposite. And the country's economic success is proof that openness works.

(Along the same lines, Chile is party to more free trade agreements than any other country in the world.)

For foreigners, obtaining residency here is a great deal. Chile follows the European system in that they grant you temporary residency first. But in as little as a year,

you can apply for permanent residency, at which point you'll be well on your way to acquiring a Chilean passport.

The nice thing is that maintaining permanent residency is a cinch. "Permanent residence" is a misnomer... in nearly every country in the world, from the US to Paraguay, there are always strings attached in order to maintain residence.

In Chile, though, it's quite easy. You only need to set foot on Chilean soil once each year.

And as my friend informed me yesterday, if you can't make it to Chile within a calendar year, there's a loophole to get an extension from any Chilean consulate for up to four years in a row. This means that you only need to spend one day in Chile every five years to maintain permanent residency. Simple.

Until tomorrow,

A handwritten signature in black ink that reads "Simon Black". The signature is written in a cursive, flowing style.

Simon Black  
Senior Editor, [SovereignMan.com](http://SovereignMan.com)