

This BC Gold Explorer Is Hot On The Trail Of The Next Canadian Gold Rush

by [@Goldfinger](#) on 14 Oct 2018

In 1857 a coarse gold discovery at the confluence of the Nicoamen River and the Thompson River in British Columbia led to 20,000 prospectors flooding into southern BC in search of golden riches. What later became known as the Fraser River Gold Rush became a key catalyst for the founding of British Columbia as a Canadian province. Fast forward to 2018 and a small closely held Vancouver based gold exploration company called Westhaven Ventures (TSX-V:WHN, OTC: WTHVF) is hot on the trail of the next gold rush in British Columbia, not far from where those early placer miners panned for riches in the late-1850s.



Artist depiction of early placer miners panning for gold in the Fraser River circa 1860.

Westhaven has four gold exploration projects (Prospect Valley, Skoonka, Skoonka North, Shovelnose) all along trend in what is known as the Spences Bridge Gold Belt (SBGB). The company was founded in 2011 by Canadian Mining Hall of Famer Gren Thomas with the intention of making an economic gold discovery in what he deemed to be an underexplored, and highly prospective gold belt. Gren is also Westhaven's largest shareholder with nearly 10 million shares, and he has been a steady buyer of WHN shares in the open market over the years.

Earlier this year Gren passed the reins at Westhaven to his son Gareth, and since he became CEO Gareth has hit the ground running - Westhaven recently completed its largest drill program to date at its Shovelnose Project 30km south of Merritt, intersecting bonanza grade gold for the first time as well as finding visible gold in multiple drill cores; two weeks ago Westhaven released partial assays from its latest 10 hole, 3,700 meter drilling program at Shovelnose which included a bonanza grade intercept, 1.65 meters grading 175 g/t gold and 249 g/t silver, in hole SN18-12.



Visible gold from the hole SN18-14 core.

Energy & Gold first brought Westhaven to readers attention in March of this year. Not to mention the tremendous exploration potential in Westhaven's property portfolio, what really caught my attention is the fact that more than 40% of Westhaven shares are held by insiders and the company has an annual G&A burn rate averaging less than C\$300,000. This is a company that is committed to putting shareholder money into exploration and management cares a lot because much of the money is theirs. Chairman Gren Thomas owns nearly 10 million Westhaven shares and he added to his sizable position as recently as three weeks ago by exercising more than 400,000 warrants at C\$.16 for an additional C\$66,670 purchase of Westhaven shares.

Westhaven is currently eagerly awaiting the remaining assays from its summer 2018 drilling at Shovelnose so I figured it was a good time to interview Westhaven CEO Gareth Thomas. I met Gareth in July on a site visit to Shovelnose and I was impressed by his down to earth no bullshit approach. Westhaven is a group of real explorers who have been chasing their dream of making a big economic gold discovery in British Columbia's Spences Bridge Gold Belt and admittedly Gareth says they've never felt closer to turning their dream into a reality. Moreover, the way Westhaven is structured and operated makes it such that the only way company executives will profit is in the event that Westhaven makes a significant resource discovery. I've rarely seen a situation in which shareholder interests are so closely aligned with insiders' interests.

I'm happy to introduce Westhaven Ventures and CEO Gareth Thomas to readers.

Goldfinger: Hi Gareth, it's great to speak with you today. Can you tell us how Westhaven was formed and what was the intention behind this company?

Gareth Thomas: Westhaven was formed as a CPC company in 2010 and our qualifying transaction was receiving the Shovelnose Property from Strongbow Exploration (TSX-V:SBW). The reason we liked Shovelnose is that I had worked there with Strongbow in 2006 and Strongbow had done a lot of good technical work there (soil and silt sampling, trenching, prospecting, mapping) and Shovelnose had never been drilled. So Shovelnose was Westhaven's first ever project, and since then we've acquired three more properties on the Spences Bridge Gold Belt (Prospect Valley, Skoonka, and Skoonka North). We drilled the first hole at Shovelnose in 2011 and saw enough to keep going every year since then. We have consistently seen little hints of epithermal gold mineralization and now we are obviously very excited with what we're seeing now at Shovelnose. We are committed to making an economic gold discovery in the Spences Bridge Gold Belt and growing shareholder value in the process.

Goldfinger: What did Westhaven pay Strongbow in order to acquire Shovelnose and does Westhaven own it 100% now?

Gareth Thomas: Westhaven issued 2,000,000 shares to Strongbow and Strongbow also has a 2%

NSR (net smelter royalty). Westhaven can buy back ½ of the NSR (1% of the 2%) from Strongbow for C\$500,000.

Goldfinger: What attracted Westhaven to the Spences Bridge Gold Belt (SBGB)?

Gareth Thomas: We are looking for epithermal gold and silver in what is called the Spences Bridge Volcanic Belt, also known as the Spences Bridge Gold Belt. Back in the late 1990s a guy by the name of Ed Balon, who is now one of our technical advisors, realized that there hadn't been any work done on this belt. There were several stream sediment anomalies in regional government surveys so Ed went around and started prospecting in these areas. He uncovered epithermal textures in rock samples (grab samples) and went on to do some stream sediment samples and started to realize that there's a lot of anomalous gold in this belt (across an area stretching 50-60km). This attracted Almaden, then Strongbow got involved with Almaden on the Skoonka which Westhaven now has 100% of. Strongbow drilled an intercept of 12.8 meters grading 20.2 grams/tonne gold at Skoonka. Needless to say that hole really got eyes on the belt and at that point I'd say 70% of the SBGB was staked by various companies.

What really got Westhaven involved back in 2011 was the underexplored nature of the Belt which despite being largely staked, the SBGB had seen very little actual exploration work. Shovelnose was our first project acquisition, followed by Prospect Valley (which was acquired from Berkwood for a very good price), then Skoonka which was acquired from Almaden and Strongbow. And most recently we staked a highly prospective 6,700 ha property that has the highest gold stream anomalies on the belt.

We were able to acquire these projects for good prices and we believe there is a great opportunity for an economic gold discovery on this Belt. It's been very underexplored and we're starting to prove that it does have high grade gold and the potential is there. I think you're going to see a lot of news over the coming weeks & months that will help to draw further interest to this gold belt.

Goldfinger: So to put the Westhaven story into perspective if we go back to the 1850s there was a placer gold rush in the Fraser River region of British Columbia, Canada which is a part of the Spences Bridge Gold Belt. There have been sev-

eral million ounces placer mined throughout the SBGB over the last 150+ years and a hard rock source for this placer gold has still yet to be found. Westhaven believes a hard rock source for the gold could be on one of its properties.

Gareth Thomas: That's correct, there was a flood of about 20,000 prospectors who came into the area in the late 1850s when coarse gold was first found in the Nicoamen River which is just south of Skoonka and just to the north of Prospect Valley; just south of us a town called Yale was the biggest town north of San Francisco and east of Chicago in the 1860s. The Fraser River was a major placer mining place where the 49ers came from California years after much of the gold had been discovered near Sacramento, California. This gold rush is one of the main factors that led to British Columbia becoming a province.

Goldfinger: Would you compare what you're trying to discover in the SBGB with what companies like Klondike Gold and White Gold are trying to do up in the Yukon in terms of finding the hard rock gold source for multiple millions of ounces of placer gold that has been found in the area?

Gareth Thomas: Yeah, that's a fair analogy. In terms of the Spences Bridge area there is obviously the Highland Valley Copper Mine which is about 40km to the north of Prospect Valley and that is obviously one of the biggest open pit copper mines in the world. Never before has the source of this placer gold found in the Fraser River been attributed to a hard rock source. We believe that the source of that placer gold is sitting on one of our properties. From a geological standpoint everything is pointing to a hard rock source in and around the Spences Bridge Gold Belt. By the way, I also think it's important to point out that there is still lots of placer mining going on in the Spences Bridge Gold Belt.

Goldfinger: Why do you think there really haven't been any major mining companies that have been exploring the Spences Bridge Gold Belt?

Gareth Thomas: Excellent question. We've spoken to a few major mining companies and we've had a few up to the properties. But to be honest I think the simplest answer is that there's not another mine on this belt. However, I think there's going to be some bigger companies starting to look at the SBGB for sure very soon.

Goldfinger: I've been to Shovelnose and I've been around the surrounding areas and it is really is a unique setting for a gold project; there is road access right up the property with lots of infrastructure in the area including power lines. All of this means that it increases the chances of any major mineral discovery being economic.

In 2018 Westhaven has completed two drilling programs at Shovelnose, in the first you guys drilled seven holes which included hole SN18-03 which contained 17.7 meters grading 3.9 g/t gold and then in the latest program Westhaven drilled 10 holes including hole SN18-12 for which you've received partial assays with the highlight being 1.65 meters grading 175 g/t gold and 249 g/t silver.

Gareth Thomas: That's correct. The first program of 2018 was seven holes and approximately 2,500 meters and this last program consisted of ten holes and just over 3,700 meters. So we've drilled over 6,200 meters this year and this is by far the most drilling we've ever done in a year.

Goldfinger: What would you say Westhaven has learned so far this year from the drilling that you've completed?

Gareth Thomas: I should note that one of the reasons we are where we're at has been a lot of perseverance and believing that there is an economic gold discovery to be found here. Every year we've found more and more indications that there is gold here and that's what has kept us going in an otherwise dull market.

In December 2017 we hit an intercept of 85 meters of .5 g/t gold which is not high grade by any means but what we saw in that hole were a lot of good indicators that we were on to something. A lot of this recent success is a result of our exploration manager Peter Fischl who spent some time at the Kupol Mine in Russia. Kupol is a great epithermal gold discovery and Peter's experience there has been invaluable to us at Shovelnose. We owe a lot of this recent success to his experience. Peter's experience with all of these textures, epithermal textures has really paid off for us here. What he's seeing has directed us to finding higher grade and we have drilled the best holes to date at Shovelnose this year including a bonanza grade intersection in our latest program, with assays still pending for holes that included visible gold in the cores.

Holes SN18-14 and SN18-15 have both been sent off for rush assays and they are both 300 meters away from any other drill hole. These holes include 20 meter quartz vein sections with some really nice looking textures, and as noted in our latest NR we're seeing visible gold - these holes also had some really textbook textures for these epithermal systems. We think this is really exciting and even though we've drilled 10,000+ meters since 2011 that's really not a lot for these types of epithermal systems. These systems require a lot of drilling and we've been at times prospecting with a drill because there's not a lot of rock on surface. We're very excited about what we think is coming up in the next few holes, and I can even say we're excited about the next few years.



Core box for SN18-14 containing visible gold marked with yellow marker (SN18-14 core was sent off for rush assays two weeks ago).



From left to right: Shaun Pollard, CFO and Director. Gren Thomas, Chairman, Mark Ralph, Geologist. Peter Fischl, Exploration Manager. Ed Balon, Technical Advisor. Victor Tanaka, Director. (Photo Credit: Gareth Thomas).

Goldfinger: You basically started following this system to the southeast and as you've moved to the southeast the results appear to have improved right?

Gareth Thomas: Yes, but we're not entirely sure right now. Holes 14 and 15 are a good 300 meters away from hole 12 which had the bonanza grade intercept so we could be dealing with a whole different vein system here. Obviously we're optimistic with what we're seeing and we're really hoping these next few holes will really open this area up. I should also mention that we are heading back up to Shovelnose for another drilling program by the end of October. Initially we are planning 5 holes and 2,000 meters but there is potential that we could expand this program.

We've been fortunate to be able to finance through warrant exercises and we currently have roughly C\$1 million in the treasury which will be more than sufficient to finance this next drill program. As you know we don't have a lot of overhead with this company, we have about C\$250,000 per year of G&A operating costs so we're pretty lean. The vast majority of the money that we raise from shareholders goes into these drilling programs so we figure why not go ahead and drill while we're permitted.

Goldfinger: That's another aspect that's exceptional about Shovelnose, you guys can go right back out there and drill year round.

Gareth Thomas: That's a great point. With our location and ability to drill year round at Shovelnose it's really opened things up for us. We're only a 10 minute drive off the highway which makes it easier and cheaper for us to do exploration work at Shovelnose.

Goldfinger: In this most recent drilling program it seems that you found quite a bit of potassium feldspar (also known as K-spar) which is a pink mineral that is known to be an indicator element in epithermal gold systems. Can you tell us more about this?

Gareth Thomas: What happened in one of our longest holes (600+ meter hole SN18-11) is that Peter started seeing K-spar which is an indication that it's a very hot part of the system so most likely you're sitting below ore grade material, or where the gold would be. Based on the textures Peter could tell that we were in a boiling zone where these sorts

of things develop. The more we went through the cores (hole 14) Peter was seeing bladed quartz after calcite which is a really good indicator, creamy white bladed quartz, these are boiling indicators that we're in the right area. We're pretty keen to see hole 14 come back.



VP of exploration Peter Fischl looking at core from SN18-15 at the Westhaven core shack in Merritt, British Columbia.

Goldfinger: How much does it cost Westhaven to drill at Shovelnose?

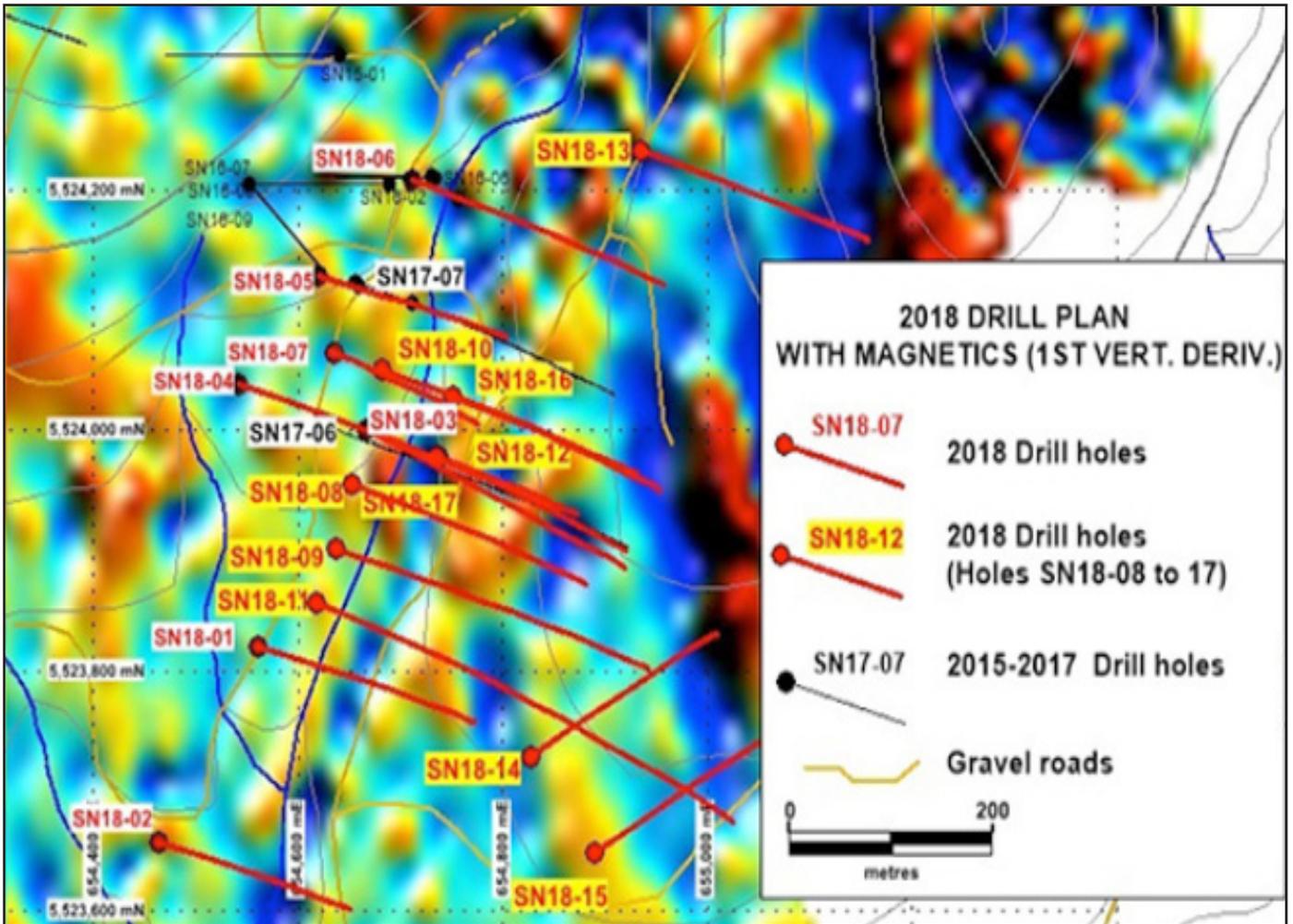
Gareth Thomas: We're drilling at about a C\$175/ meter all-in cost, which includes assays, geologists, room & board, drillers etc. That number can fluctuate a bit depending upon the year but we're very proud of that number.

Goldfinger: What is Westhaven's updated share count?

Gareth Thomas: As of today we're a little over 78 million shares outstanding, and a little over 92 million fully diluted. There are about 14 million options & warrants still out, with the majority being warrants - these vary in exercise price with some being at \$.08 which are due to expire at the end of October, and some in November.

Goldfinger: Tell us more about the next program at Shovelnose, how many targets do you have and where are you planning to drill?

Gareth Thomas: We have five solid targets planned to begin. We have a step-out to the southeast, a step-out to the north, and overcuts planned for holes 14 and 15.



Shovelnose 2018 drill plan map with magnetics

Goldfinger: My final question is what do you do with the other projects (Prospect Valley, Skoonka, and Skoonka North) since you're so focused on Shovelnose right now?

Gareth Thomas: We've been having some talks with some groups about those projects, particularly Skoonka because we just received a drill permit there. We think Skoonka is a great project, it has a world class drill intercept of 12.8 meters of 20.2 g/t gold. While Strongbow and Almaden did some great work there, we think there's a lot more potential there, so we have been talking to groups about those projects and we hope to have some news about that shortly.

I was able to briefly catch up with Westhaven Chairman/Founder Gren Thomas and he offered the following comments on where Westhaven is at:

"The Spences Bridge Gold Belt has been a very neglected area, despite being the site of the first gold rush in British Columbia's history. The fact the first drill hole into the gold belt was in 2005 is quite astonishing. It is more astonishing that

we are a 2.5 hour drive from Vancouver right off a major highway. As a group it is very exciting to be spearheading exploration on such a prospective and undiscovered area."

Westhaven has momentum, a top-notch team, and sufficient financing to turn their dream into a reality over the coming months. I am a shareholder and admittedly I am biased, I love this story and I would be ecstatic to see Westhaven make an economic gold discovery in a great location/jurisdiction.

Westhaven Ventures (TSX-V:WHN)

Shares Outstanding: 78,161,473

Shares Fully Diluted: 92,110,003

Market Cap at C\$.345 share price (as of close on October 12, 2018): ~C\$27 million

Treasury: C\$1,000,000

Update: Bull Market Run reported on Friday morning that “two Barkerville Gold (BGM, TSX-V) employees have staked a nearly 200-km-long belt of claims in the interior of British Columbia from Clinton to Princeton, covering Spences Bridge geology prospective for Gold.” - this is highly significant because it’s thought to be the largest single claim block staked by one entity in B.C. exploration history and it’s a strong sign that a much larger gold exploration company is keenly interested in the region that Westhaven is well positioned with the “beach front property.”

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