

White Gold: Rolling up the Discoveries

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In one sense, White Gold ([TSX-V: WGO](#), OTC – Nasdaq Intl: WHGOF, FRA: 29W) could be considered famed Yukon prospector Shawn Ryan’s project development company. Years ago, Ryan explored and staked swaths of the Yukon’s Dawson Range to the south of Dawson City. The claims were optioned to many junior exploration companies. The companies went in, did the work, significant discoveries were made by some that led to take outs by majors like Kinross and Goldcorp, but unfortunately for others, they ran out of time and money, so all those claims reverted to Ryan. Shawn spent the next 3 years reviewing all the data, picking the best projects, assembling them and then partnered with [PowerOne Capital](#) to create White Gold Corp where all the properties were rolled into, with the goal of owning and exploring the entire land package systematically and with a regional view of the district.

As David D’Onofrio, White Gold’s CEO puts it, “We started out with over 30% of the district and \$25 million worth of free work because when the options expired all the data came back to Shawn.”

With a million plus acres to explore, White Gold is confident it has a district scale opportunity. “We’ve seen three new gold deposits discovered in the district in recent times, two of which we have since been acquired and added to our portfolio totalling about 1.5 million ounces of gold” said D’Onofrio. “Discoveries come in clusters and the more discoveries you have, the greater the chances of additional nearby discoveries.”

In its most recent press release, [White Gold announced its acquisition from Comstock Mining of the QV Gold Project](#) D’Onofrio stated, “This property has a 230,000 oz gold deposit, a number of exciting targets, and has seen very limited exploration to date. We are confident that our team, including Jodie Gibson who originally oversaw the discovery drilling, is well positioned to maximize the value of the VG deposit and the other highly prospective targets on the property. Also, the similarities of the deposit and targets on this property to Golden Saddle and Vertigo provide a unique opportunity to leverage our team’s experience in the White Gold District.”

The fact that there is already a 230,000 oz gold resource (4.4 million tonnes grading 1.65 g/t gold) with only minimal work completed to date, is valuable to White Gold as this property is only 10km from White Gold’s flagship Golden Saddle deposit. However, it is the targets on the property with similarities to White Gold’s Vertigo discovery, and the opportunity to deploy White Gold’s Drones to Drills exploration strategy on these targets which really makes this an exciting acquisition. White Gold will have full access to the data Comstock has already developed through soil sampling, GT Probe sampling, trenching, IP-Resistivity surveys, airborne magnetic-radiometric surveys, geological mapping/prospecting and minor RAB drilling. This data is already suggesting that the targets on the QV project are similar to the Golden Saddle deposit and the new discovery at Vertigo which saw grades up to 304 g/t gold just 20km to the west.

The key differentiator to the whole Dawson Range is that historically it was never glaciated. “This means that the soil sitting on top of the bedrock is directly indicative of what is underneath. Glaciers can displace this soil kilometres from its original position, so not having this issue makes it much easier for us to evaluate targets and plan our drilling. To capitalize on this we utilize a soil sampling approach that the company has successfully relied on in the area, as well as new technologies we have started to deploy to better understand the regional structures such as LiDAR,” said D’Onofrio. In fact, this non-glaciation has been a huge factor in the discoveries at the massive Coffee Project (Goldcorp) directly to the south of White Gold’s holdings, and the Golden Saddle which was initially acquired by Kinross, who then rolled it into White Gold Corp for their 20% interest in the Company.

District scale discoveries might be defined as a series of mineable deposits which share common geological features, yet each deposit will be different. This appears to be the case in the White Gold District. And what makes the opportunity so significant is that this whole district has only seen limited modern exploration, and its in a great mining jurisdiction – Canada. Yukon operators are blessed with a supportive government who has committed heavily to funding infrastructure in the area, including the [Yukon Resource Gateway project](#). This is a \$360 million dollar set of road upgrades to improve access to the Yukon’s mineral resources, and the first section to be built runs right through White Gold’s land position. Good road access radically improves the economics of any mine construction project.

In addition to its recent acquisition in the district, D’Onofrio was particularly interested in discussing the company’s new Vertigo discovery.

“At Golden Saddle we’ve seen consistent high-grade gold, but Vertigo is different,” said D’Onofrio. “We’re seeing high-grade grab samples up to 304 g/t and returning drill intercepts up to 22.47 g/t Au over 30.46m from surface along with excellent geophysical results over a full kilometer. To see these kinds of grades, at surface, 2 kilometres from an existing road is very promising – we’re seeing a huge ounce potential. On top of this, we’ve identified half a dozen other excellent targets along that trend that we’re excited to drill test.”

The rocks at Vertigo show visible gold, reminiscent of the Yukon gold rush of the 1890’s. While the Klondike River was the more talked about placer river of the gold rush, Henderson Creek which is in the watershed from Vertigo was actually the richer discovery. Real Jack London territory.

“We think we may have discovered the source of that placer gold,” said D’Onofrio.

Exploring a million plus acres of land is a challenging task. However, Shawn Ryan and Groundtruth Exploration, the exploration services company run by Shawn’s wife, Cathy Ryan, have systematized soil sampling, mapping, and RAB drilling on an almost industrial scale. When I visited the White Gold camp this summer, I watched their core shack in operation. While there was certainly conventional core, there was also a fascinating parallel process where, meter by meter, crushed samples were being processed using handheld [XRF scanners](#) with the results being logged in real time. This allows the geos to make first pass assessments of particular ground in hours rather than weeks. Meaning more ground could be covered, more targets identified and more discoveries made in the exploration season.

White Gold is unique in that it has two majors as strategic partners: Agnico Eagle and Kinross which collectively own 40% of White Gold. “We work with them in lockstep,” said D’Onofrio. “Our majors are not surprised by our discoveries as they share the same beliefs as us and are very pleased. They visit the site regularly and we plan together. They want to see us prove out our discoveries and they bring lots of expertise. They want us to succeed as we all want to build the next mining district in the Yukon.”

In fact, given the scope and scale of White Gold’s discoveries, there may be the opportunity to build several mines or develop several pits and leverage shared facilities. D’Onofrio is even more optimistic, “I believe there is the potential for 5 to 10 mines. You could truck ore from multiple deposits.”

White Gold has had no shortage of new discoveries this season, marking three more in addition to Vertigo. On the company’s Betty property, which is directly adjacent to Goldcorp’s Coffee project (also discovered by Shawn Ryan), the Company discovered more near surface Gold mineralization. This is hosted in the same fault structure as Coffee and is showing comparable grades. White Gold also discovered two satellite targets on trend with the Golden Saddle deposit – the GS West which is just 750m from its flagship Golden saddle deposit and the Ryan’s Showing returning 20.64 g/t Au over 6.10m. This all supports David’s theory that there is something very significant going on in this district.

For now, the company is going to continue to follow up on the targets it has identified and grow its existing deposits. 2018 was a big year for White Gold, and 2019 is looking to be even bigger.