

# Renowned Gold Detective Zeroing In On Major Discovery

METALS & MINING | GOLD



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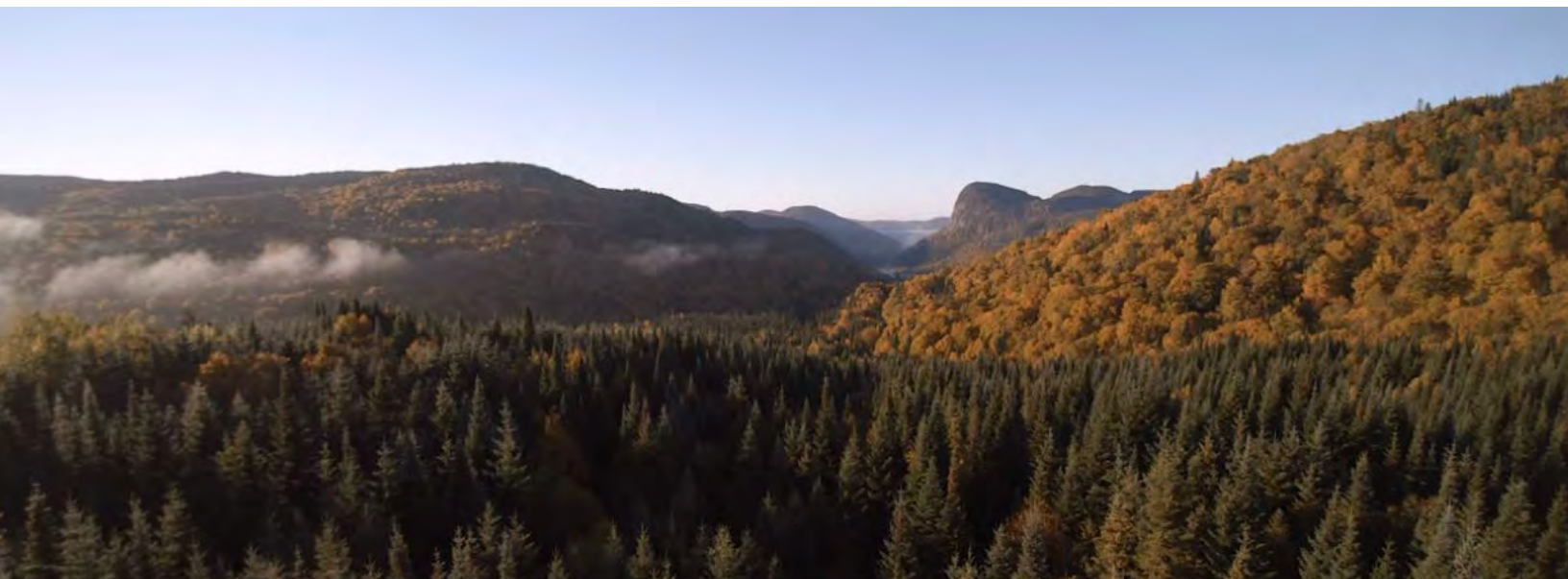
Early-stage mining exploration is not for the faint of heart. It's hard work for the mining companies engaging in such exploration. And it can also tax the patience of investors. However, the rewards can be enormous.

Typically, early-stage mining companies are micro-caps. They have not (yet) established a mineral resource – with a quantifiable asset value. So their market cap reflects the speculative nature of such operations. But if one of these early-stage mining companies hits significant intercepts of mineralization, the company and its shareholders are generally very well-rewarded for such discoveries.

The key, for both mining companies and investors, is to maximize the odds for exploration success. One junior mining company that is especially excited about its odds for success is **Labrador Gold Corp.** ([TSX: V.LAB](#), [Forum](#)).

Early-stage exploration can be likened to detective work. This means that the first factor to maximize the odds of success for a mining company is to locate a top-notch detective. For LAB, their gold detective is Shawn Ryan. This name will ring a bell with many experienced mining investors.

Why? Shawn Ryan knows how to sniff out new gold discoveries. He's done it before -- several times. Ryan's most notable success has come in the White Gold district (Yukon). He netted \$3.5 million transferring the gold claims he staked to a holding company created solely for this purpose. Gold mining giant, Agnico Eagle Mines Limited, purchased a 19.3% stake in White Gold Corp in late 2017, followed by Kinross Gold taking a 19.9% stake of the company with the sale of Shawn's original discovery, the White Golden Saddle deposit.





In 1998, Ryan was named “Prospector of the Year” by the Yukon Chamber of Mines. In 2011, Ryan was named “Prospector of the Year” again – but this time by PDAC, the Prospectors and Developers Association of Canada. It would be hard to find any other mining entities anywhere with

more knowledge about prospecting, and they both have picked Ryan for their prospecting awards.

A [November 2017](#) article from Natural Resources Magazine sheds more light on the career of this premier gold detective.

*In the Canadian mining world, Ryan is a big deal, and his journey from a nature-loving kid who trapped and picked mushrooms to a mineral prospector with a knack for finding gold has been chronicled in numerous publications. In May 2011, a New York Times profile went so far as to christen Ryan ‘the king of a new Yukon Gold rush’, the same year Ryan was given the Bill Dennis Award as prospector of the year by the Prospectors and Developers Association of Canada.*

The title to that article will also be of interest to mining investors.

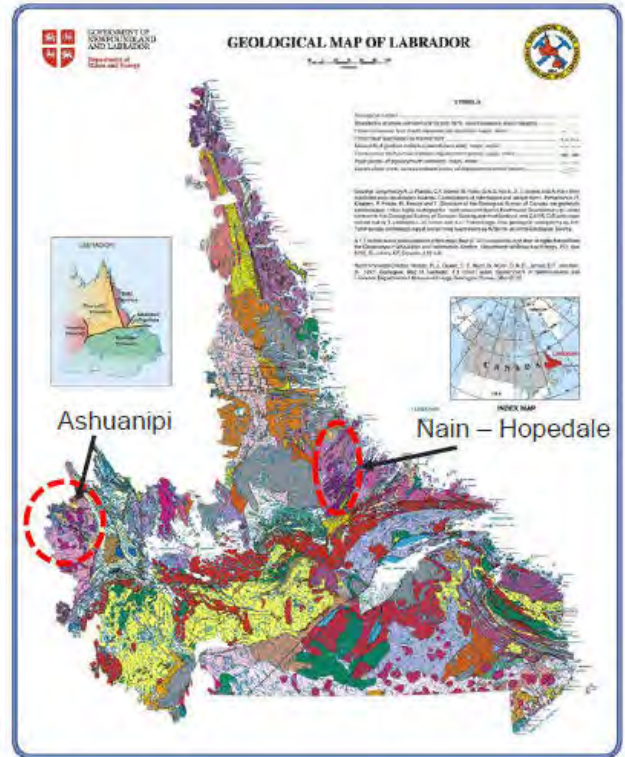
**Has Shawn Ryan ushered in a modern-day gold rush in Newfoundland and Labrador?**

This leads directly back to Labrador Gold. The management of Labrador Gold were looking for a new project. The Company had just completed a drilling campaign on their Borden Lake Extension Project (Ontario), and the results had not met expectations.

Meanwhile, Shawn Ryan had been busy doing homework. Having made a name for himself in the Yukon, another jurisdiction had caught his eye: Newfoundland/Labrador. His interest in Canada’s easternmost province could be easily summed up: under-explored and great potential.

Ryan spent the better part of six months studying government records of the Newfoundland and Labrador Department of Natural Resources, much of it compiled by the Geological Survey of New-

# Labrador Properties



- **Ashuanipi Property**
- Area: 896 square kilometres (Km<sup>2</sup>)
- 35 km south of Schefferville linked by rail to Sept Isles in the south
- Target Iron formation hosted gold
  
- **Nain Property**
- Area: 503km<sup>2</sup>
- Target: Orogenic Gold associated with Torngat Orogen
  
- **Hopedale Property**
- Area: 458km<sup>2</sup>
- East end of property on tidewater southeast of Hopedale
- Target: Greenstone hosted gold

*click images to enlarge*

foundland and Labrador, a scientific research agency. The further that Ryan dug into these records the more excited he became. But he may have never started on this journey if not for a helpful tip.

According to Ryan, the man who turned him on to Newfoundland and Labrador was John Clarke, the manager of the Mineral Incentive Program with the Mines branch of Newfoundland and Labrador's Department of Natural Resources. He was the person who first approached Ryan about the gold potential in the province after striking up a conversation with the prospector at a mining event in Vancouver. "It was John Clarke who brought Newfoundland to the forefront of my research and basically pointed out that I should have a better look," Ryan says.

Following his investigation into Newfoundland/Labrador's mining archives, this gold detective then did what he does best: he headed to the field to 'look for clues'. Ryan's first task was to stake claims. The results of those laborious efforts were three large land packages: Hopedale, Ashuanipi, and Nain.

Combined, the three land packages total more than 1,800 square kilometers. In the mining world, this is known as "district scale" exploration. But it wasn't simply the sheer mass of this prospective geology that got Ryan so excited. As Ryan puts it:

*This was like finding some never explored remote valley in Columbia or remote Africa. It is district scale, with high quality gold targets never looked at with modern day exploration methods.*

It was around this time that the prospector, Shawn Ryan, met the geologist, Roger Moss. Moss is President and CEO of Labrador Gold, at that time known as Nikos Explorations. He is a professional geologist with 20 years of experience in gold and copper exploration.

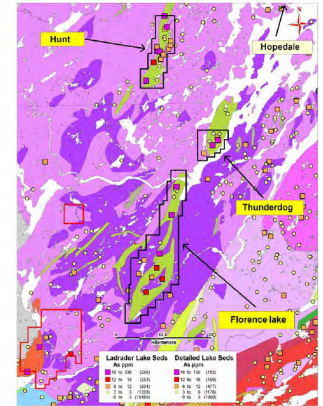
This Ph.D. is also no stranger to gold discoveries. Moss played an instrumental role in the discovery of the "Navachab gold deposit", a multi-million ounce deposit in Namibia. The two gold-hunters started talking.

On [September 11, 2017](#); (then) Nikos Explorations announced an option agreement to acquire the gold properties staked by Ryan. LAB immediately went out and raised \$1.8 million to fund work on these new properties. By December, the Company had formally changed its name to Labrador Gold Corp.

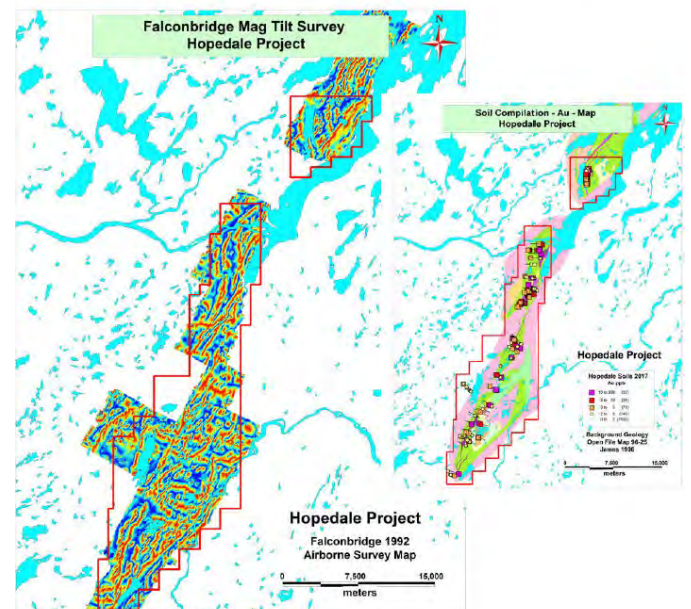
Since that time, more "detective work". The principal focus of current exploration efforts are the Hopedale and Ashuanipi Projects, both of which have district scale gold anomalies over tens of kilometres.

## Hopedale

- Hopedale claims cover most of the Hunt River and Florence Lake greenstone belts (~80 km)
- Under explored for gold despite Thurber dog showing assaying up to 7.5 grams per tonne gold
- Area of Hunt claims has seen very limited prior staking
- Good correlation of gold with arsenic in both greenstone belts
- Nickel exploration identified significant strike length of carbonatized ultramafic volcanic rocks
- Significant (75%) airborne geophysical coverage from historical surveys completed in the 2006-2010 uranium exploration rush



## Florence Lake Magnetics



[click images to enlarge](#)

At Hopedale, this work started with evaluating previous work carried out in the Florence Lake greenstone belt. Here the experience of Moss in the greenstone belts of Ontario and Quebec and the geochemical expertise of Ryan came into play as they mined the historical data on the Newfoundland and Labrador Government's GeoScience OnLine site.

In a conference call with Stockhouse Editorial, the CEO explained the significance of this historical data.

*The GeoScience OnLine site is a treasure trove of information for explorers in the province. It includes publications with data that we can analyze to build our understanding of the gold potential of the greenstone belt. An example is an airborne magnetic survey completed in the early 90s that highlights structures associated with gold anomalies. Such structures are known to focus gold mineralization in the prolific gold camps of Ontario and Quebec and will be a major focus of our follow up work.*

*Using the online data has saved us significant time in selecting targets for this year and contributed to our understanding of the geology and structure of the belt.*

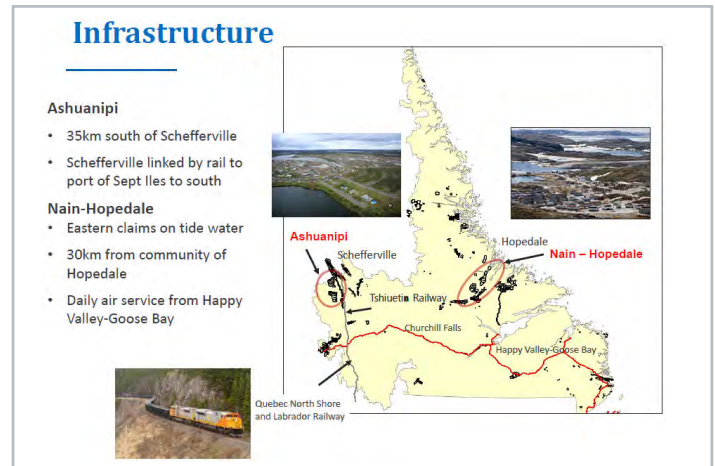
Limited past exploration on the Hopedale property, in the Florence Lake greenstone belt showed the potential of the "Thurber Dog" prospect, where previous rock sampling had yielded assays of up to 7.87 g/t Au.

Armed with this data, Ryan went to work. Much of his early detective work at Hopedale centered on sampling: lots of soil sampling and lake sediment sampling. Most mining investors pay little attention to such sampling. Even some mining companies see little value in such work. Shawn Ryan is emphatic on the value of this preliminary exploration.

*Soil sampling is an art, especially using modern day multi-element geochemistry. Not only do I see where the gold lies, but I can also see the various patterns that help map out geology and alteration. With large regional soil programs covering tens of square kilometers, I can map out the mineralized system (haystacks), and then come in with a second wave of exploration to find the golden needle.*

(Investors wanting to delve deeper into the geology of these Projects can refer to the Appendix below.)

Ryan's initial sampling work at Hopedale indicated a 3 km trend of anomalous gold mineralization centered around Thurber Dog, in the northern section of the Florence Lake belt. Ryan continued his sampling. Working north to south along the belt, Ryan expanded this geochemical fingerprint of gold along the entire 40 km trend.



Management estimates that with the Hopedale Project alone the Company controls 80% of two greenstone belts within the property boundaries (the Hunt River belt is also contained within the property). In Canada's established gold districts, it would be impossible for one mining company -- let alone a junior -- to lock up this much prospective land so underexplored for gold.

The only (other) region of Canada where so much prospective land is available is in our Far North. But Newfoundland is not "far north", it's far east. The big difference here is access and infrastructure.

At Hopedale, the eastern portion of the property is exposed to tide water significantly reducing the cost to transport supplies and equipment to the project. The community of Hopedale is 30 km away, and there is daily air service to Happy Valley-Goose Bay. Ashuanipi is 35 km from Schefferville, Quebec. Schefferville is connected by rail line to the port of Sept Iles.

The Ashuanipi land package is also highly prospective for gold exploration. To the west (in Quebec), previous exploration work has been done on another property also known as "Ashuanipi" -- because of the similar geology. In 2010 drilling there, several significant intercepts of gold mineralization were encountered. The strongest interval graded at 2.23 g/t Au over 19.55 meters and included a sub-interval of 10.21 g/t over 2.03 meters.

However, as explained by Moss, the geology at Ashuanipi is more complex than the greenstone belts at Hopedale. Despite this complexity, sampling indicates two district scale gold anomalies over a 15 kilometre north-south trend and over a 14 kilometre east-west trend.

*click image to enlarge*

Moving forward, now that much of the preliminary work is out of the way, the Company can start working on initiatives that generate results more tangible to the average mining investor. First, Shawn Ryan (and the GroundTruth team) will head back to the field for more prospecting, building on the information gained from the first stage soil and lake sediment sampling.

The soil anomalies identified from the initial sampling will be mapped and rock samples taken to provide additional assay data. This will lead to a formal decision on drilling targets. Management's best estimate is that the Company will be ready for its initial RAB drilling program in late-summer.

A premier gold detective has his nose to the ground – in Labrador. With the huge land packages involved and large mineralized trends on which to explore, the upside is potentially enormous. There are no guarantees in early-stage exploration, but if “lightning strikes” again with Shawn Ryan and his prospecting, those investors who get in early will receive the biggest rewards.

**Appendix: geological images/data**

[http://www.stockhouse.com/getattachment/news/news-wire/2018/03/26/renowned-gold-detective-zeroing-in-on-major-discovery/gold-in-soil-compilation-florence-lake-greenstone-belt-\(4\).jpg](http://www.stockhouse.com/getattachment/news/news-wire/2018/03/26/renowned-gold-detective-zeroing-in-on-major-discovery/gold-in-soil-compilation-florence-lake-greenstone-belt-(4).jpg)

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