

In a week of losses the market seems to think Westward Gold might be on to something

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It's not often that you see a junior mining company release a general corporate update, with no new drill results, that sparks a 45% rally in the stock with a dramatic and sustained increase in daily volume. Especially over the last two weeks, which hasn't exactly been a "risk-on" type of market. Naturally, I was inclined to have a look and see what all the fuss was about.

It may come as no surprise that I had no idea what most of the somewhat technical press release was trying to convey. My commerce degree and business experience have not blessed me with the ability to interpret geologic concepts. I can grasp oz/tonne, true width, depth, inferred resource, etc. but that's all just math (which my degree and business experience did equip me to comprehend). But when it comes to hyperspectral imaging, induced polarization survey, or the role of compressional structures on stratigraphy, you might as well be speaking another language, specifically one I don't understand. However, the market has spoken and the market is always right, so even though I may not understand it, it appears that it is pretty good news.

The company that has generated this recent buzz is [Westward Gold Inc.](#) (CSE: WG | OTCQB: WGLIF), a mineral exploration company focused on developing the [Toiyabe](#), [Turquoise Canyon](#), and [East Saddle](#) Projects located in the Cortez Hills area of Nevada. They've assembled a 3,830 hectare land package in the heart of Nevada's Battle Mountain-Eureka Gold Trend, one of the most prospective mining districts in the world, approximately 10

kilometers southwest of Barrick Gold Corp.'s Cortez Hills mine and adjacent to Barrick's past producing Toiyabe-Saddle Mine.

The press release that caught the market's attention was a seemingly run-of-the-mill [corporate update](#), but I guess the devil is in the details. I've already stated that a lot of the technical information was over my head but I'll try and interpret what made this particular update a little more special. It was a very thorough summary of the last year's activity, but there wasn't a lot of news that hadn't already been disclosed. As near as I can tell, only the IP Survey, possibly reinterpretation of legacy geophysical data, and the combination of this data, with previously disclosed information, to come up with new stratigraphic findings are new to the public domain. So the excitement must lie somewhere within there.

Highlights from the 17 line-kilometer IP Survey point to the main host rock at the Historical Resource at Toiyabe (~173 koz at 1.2 g Au/t) being interpreted to also be present at Turquoise Canyon, under only 150-250 meters of cover. The chargeability model confirms two near-term step-out targets at Toiyabe and further informs priority targets at Turquoise Canyon. Reinterpretation of legacy geophysical data confirmed the IP findings related to the presence of favorable Lower Plate carbonates below the Upper Plate cover at Turquoise Canyon and further understanding of the geometry of the carbonate window and associated structures at Toiyabe. Certainly, positive news but even a layman like myself is struggling to find anything market-moving here.



Toiyabe-Saddle Mine North Pit. Source: Company website

That suggests it's all down to the new stratigraphic findings (or I've completely missed the boat on this one, which is entirely possible). Cross-section analysis provided for a new

understanding of the role of compressional structures on stratigraphy, the dip of mineralization, and a potential link between mineralization at surface in the Toiyabe-Saddle open pits and at depth at Toiyabe. Repetition of favorable lithologies (stratigraphic duplex) appears to occur beneath the Historical Resource. The Company believes this confirms that gold mineralization is hosted in the Horse Canyon and Wenban Formations, which are documented gold hosts at the nearby Pipeline, Cortez Hills, Goldrush, and Fourmile deposits.

If that is the good news, I will always be late to the dance because I look for something more understandable (to me), like drill results, to get me excited. To that end, the Company is [proceeding](#) with a 12-15 hole, 4,000 meter [drilling campaign](#) scheduled to begin in June, focusing on several of the targets noted above. This initial drilling program is budgeted to be roughly US\$1 million, which leaves ample funds for Phase 2 drilling later in the year following the Company's recent [C\\$2.5 million financing](#), which closed in February.

At the end of the day, the market has spoken and people a lot more knowledgeable than me are suggesting Westward Gold might be on to something in Nevada. With a market cap of only C\$10 million, this is another example of an almost free option on a company with an interesting next couple of months ahead of it.

Westward Gold is looking

forward to success in Nevada

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Often when I write about a gold company, I like to take a look at the underlying commodity price and sometimes comment on support and resistance levels, and on whether I think there's more upside or downside in the actual price of gold. However, the overall volatility in the market, and the gut feeling that things might be a little different this time make me wonder if I'd just be setting myself up to fail. Typically, gold can be considered a safe haven trade in times of uncertainty, which I think we'd all agree summarizes the situation the world presently finds itself in. Signals from the U.S. Federal Reserve that they may not be as aggressive out of the gates with raising interest rates could also be somewhat beneficial for the price of gold, unless money floods into the U.S. dollar as another safe haven trade. Looking at the chart, the move in gold prices over the last 2 weeks looks promising having decisively broken through the \$1,850-\$1,875 level with \$1,950 looking like the next challenging threshold. With that said, I have no idea where it goes next given that macro events could cause gold's price to move dramatically in either direction depending on what happens in the coming days and weeks.

Now that I've firmly placed myself on the fence when it comes to gold prices, let's have a look at a producer that appears to have a far clearer path ahead of itself than does the underlying commodity. [Westward Gold Inc.](#) (CSE: WG) is a mineral exploration company focused on developing the Toiyabe, Turquoise Canyon, and East Saddle Projects located in the Cortez Hills area of Nevada. They've assembled a 3,830-hectare land package in the heart of Nevada's Battle Mountain -Eureka Gold Trend, one of the most prospective mining districts in the world, approximately 10 kilometers southwest of Barrick Gold Corp.'s Cortez Hills mine

and adjacent to Barrick's past producing Toiyabe-Saddle Mine.



Source: Westward Gold Inc. [Corporate Presentation](#)

The [Toiyabe project](#) is the most advanced of the three given that when the Company acquired the asset it also assumed control of a storage facility near Reno, Nevada, which housed legacy core and chip samples collected by previous operators. Through its data compilation and inventory efforts, the Company identified approximately 9,000 feet (2,750 meters) of diamond drill core and 30,000 feet (9,150 meters) of reverse circulation chip samples that had been well maintained in storage. A historic estimate of indicated gold resource of 173,562 ounces at 1.2 grams per tonne was identified but a qualified person has not yet done sufficient work to classify the historical estimate as a current mineral resource. This tremendous starting point allowed Westward to confirm near-surface and at-depth mineralization in several holes and using modern exploration methods (exploration activities at the Toiyabe Property date back to 1964) led the Company to an advanced understanding of Carlin-style host rocks.

This has provided the basis for an upcoming Phase I drilling campaign to test extensions of the historical resource, a new Toiyabe Hills Fault Zone, and the geological thesis of the expansion potential at depth (only 16% of historic drill holes at Toiyabe reached beyond 180 meters). Westward just closed an oversubscribed [financing that raised C\\$2.5 million](#) to fund the estimated 4,000-meter drill program. This money should go a long way, given that a lot of the anomalies and targets are at or near surface.

The adjacent [Turquoise Canyon](#) project, acquired on June 16, 2021, through the acquisition of Momentum Minerals Ltd., has yet

to see any drilling. Turquoise Canyon shares its western boundary with the Toiyabe Project, and shares many of its structural features, surface geochemical anomalies, and favorable stratigraphy continuous from Toiyabe's historical resource. One can infer blue-sky potential from any success in the Phase I drilling program. The recently staked [East Saddle](#) property, to the South, has no visible surface disturbance (drill roads, pads, etc.) suggesting this asset is also historically underexplored.

Similar to the price of gold, I have no idea where the stock price of Westward Gold is headed. However, there is a much clearer timeline with the upcoming drill campaign and additional fieldwork. And if the Company has correctly interpreted the Roberts Mountains Thrust onto the under/unexplored properties to the East and South of Toiyabe, investors could see some exciting times ahead for the current C\$8.7 million market cap stock.