

Bayhorse Silver (V.BHS): Focused on shareholder value and near-term production

MINING | Q&A with Bayhorse Silver Inc (V.BHS) President & CEO, Graeme O'Neill



Graeme O'Neill, President and CEO

BY STOCKHOUSE EDITORIAL

Q+A

Thanks for speaking with us again today Graeme. The last time we spoke, the company was known as Kent Exploration. Can you tell us why the company changed its name to Bayhorse Silver (TSX: V.BHS, [Stock Forum](#))?

A: With the recent acquisition by the Company of the Bayhorse Silver Mine, it seemed appropriate to identify ourselves more closely with a project that has the ability to go into production in the medium term and provide ongoing cash flow.

For investors new to your story, can you tell us where your properties are located and at what stage are they in?

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A: Bayhorse Silver has its flagship high grade silver property in east-central Oregon, which is part of the highly prolific Idaho silver belt, well known for its historic silver mines, that have produced over 1 billion ounces of silver. In the West Coast of the South Island of New Zealand, in a small mining district that has produced over 8M ounces of placer gold and 2.2M ounces of hard rock gold, we have three very highly prospective gold projects, with the flagship past producing Alexander River project, being only 8km from a historic gold mine that produced over 730,000 ounces and still has resources of approximately 500,000 ounces.

With the current and uncertainty of gold prices, are you shifting to focus more on silver projects?

A: As a Company we focus on both gold and silver, however, with the recent acquisition of the high-grade Bayhorse Silver Mine, we certainly intend to capitalize in the near term on

our silver prospects. While there is always uncertainty in the markets, we believe that prices are going to change for the better. My personal opinion is that as there are far fewer silver companies for investors than gold companies, and better leverage for shareholders, the silver companies will do better going forward.

I see that Bayhorse has disposed of its stake in Archean Star Resources, why is that?

A: The decision to sell our stake in Archean was made as we saw it as a means to fund ongoing operations without a significant dilutional financing. Archean also recently announced a potential acquisition that looked to us to be too dilutional so it was the right time to dispose of the stake.

What's been keeping you busy since the name change?

A: Ensuring that our shareholders understand that we have not only re-branded the

Company, but have significantly advanced our ability to bring additional shareholder value with the recent acquisition of the very high grade Bayhorse Silver Mine. We also have been preparing the tax-deferred dividend to our shareholders that becomes effective February 12th.

What are the company's objectives for 2014?

A: Our objectives are first to bring the Bayhorse Silver Mine program forward as rapidly as possible, including taking a bulk sample, completing the tax-deferred dividend to our shareholders, and, finances permitting, conduct a drill program on our Alexander River project.

How much cash to you currently have on hand? Will you need to raise additional funds?

A: We cashed up with the disposition of the Archean shareholding raising \$750,000, two recent private placements totaling \$490,000, and

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\$500,000 was raised from other property transactions. This has cleaned up our balance sheet and provided us with the funds to advance our Bayhorse Silver Mine project. We are currently budgeting for our 2014 exploration program, and that will determine our financing needs for the balance of 2014. Any ongoing financing needs may be offset by potential income from the Bayhorse Silver Mine.

Why should an investor considering Bayhorse Silver at this stage?

A: We have worked diligently this past year to increase shareholder value, and with only approximately 19 million shares issued and outstanding, we believe there is significant upside potential on any good news from our Bayhorse silver Project.

What are the milestones over the coming months that

you see as likely catalysts for share jumps?

A: News, News and News! Continuing announcing assay results from Bayhorse. Underground exploration results and Geophysics survey results all have the capability to increase shareholder value and share prices.

Bayhorse Silver Inc, President & CEO, Graeme O'Neill established the Company and has been President & CEO since its inception. He has been involved in managing junior exploration companies in the minerals sector for a number of years and is experienced in logistics, planning, and operations development. He has a strong background in the regulatory and compliance requirements of public companies

Disclosure: Bayhorse Silver Inc. is a Stockhouse client.



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