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GARLAND PROJECT CHEEK BY JOWL WITH VOISEY'S BAY

Another nickel discovery in Labrador?

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Folks who've speculated in junior mining outfits over the last few business cycles will fondly recall the glory days of the mid-1990s.

It was then that a big nickel discovery in Labrador was announced by a relatively unknown outfit, Diamond Fields Resources.

The company outlined an enormous deposit near Voisey's Bay that triggered a rush to stake claims, encouraging other junior explorers to tag along.

When the site was sold to now-defunct Inco, Diamond Fields was valued in the billions.

But the market for junior explorers is now the polar opposite. Not only have the senior miners largely given up on exploration, but they've abandoned some attractive properties along the way.

In the meantime, their smallbore brethren are finding it hard to get money for exploration. In fact, many firms are on life support.

Yet this has created a compelling opportunity for serious exploration. And at least one company, Vancouver-based **Equitas Resources Corp.** (EQT-TSX/VEN, $0.09), is doing just that.

In 2014, it bought the Garland project, a prospective nickel site of roughly 20,000 hectares 30 kilometres from Voisey's Bay.

This was a big milestone, considering that nine different companies once owned chunks of this huge land package.

But with the property now owned by just one outfit, a systematic exploration program can start.

Moreover, historical exploration records compiled by previous operators in the area provide tantalizing clues that other deposits may be awaiting discovery. This spring, Equitas completed airborne surveys over the project area using the versatile time domain electromagnet system.

VTEM can detect conductivity associated with nickel sulphide mineralization to a depth of several hundred meters.

The surveys have defined at least nine high-priority targets that could host the large, polymetallic sulphide deposits akin to the original discovery at Voisey's Bay.

In discussing such exploration, it's important to keep in mind that some of the most speculative, but ultimately rewarding, discoveries in Canadian mining have come out of the blue, when most of the "experts" were convinced that nothing significant could be found.

Take Lac de Gras in the Northwest Territories. Before 1991, few explorers thought diamond deposits that were economical would ever be outlined in Canada's north.

Yet, the region, the centre of the diamond rush of the 1990s, now hosts three working diamond mines.

Similarly, the discovery of Carlin-style gold in the Yukon in 2009 caught the market by surprise. Like Lac de Gras, the Yukon discovery soon became a feeding frenzy.

Then, too, when the resource sector is at bearish lows, a mining outfit can usually buy top-notch exploration holdings on the cheap.

It's also when one can usually recruit a qualified management team to focus on the meticulous planning necessary for any serious exploration program.

And an experienced team is what you'll find at Equitas. For example, Everett Makela, the company's vice president of exploration, brings over 30 years of experience in nickel exploration to the table.

Moreover, in Alan King, a Canadian geophysicist, the company has a gent who's respected worldwide for his geophysical interpretation. Mr. King will review data as well as define drill targets.

Equitas is also well-represented around the boardroom table, boasting directors who've achieved business success.

With any company, it's not only crucial to have an executive team that knows how to squeeze the most from every dollar, but that can do so while creating shareholder value. This is especially important in the current market.

And although capital preservation is critical, an early-stage exploration outfit must condition itself to doing its work with the objective of making a discovery.

Only a select group of junior mining outfits have managed to boost their shares during this market slump and they've largely done so through discovery at the drill bit.

For its part, Equitas is set to start its summer drill program — a good approach, since Garland's remoteness makes it less efficient to work after mid-November.

The company plans to sink 10 to 12 drill holes, enough to test some of the best targets to depth. In this way, Equitas can not only evaluate the results, but follow up on the most promising intervals.

Given the appeal that Garland and Voisey's Bay have for folks who buy junior miners, any hint of an emerging discovery would likely generate a lot of attention.

In the interim, Equitas, having recently completed a successful restructuring, is now debt-free.

It also has a very tight share structure, with more than half of its outstanding stock held by company insiders.

But this tight float provides Equitas with a speculative launch pad if its drill program hits a high-grade interval on the first round.

Meanwhile, to enlarge its suite of prospects, as well as maintain momentum in the winter, the company is actively looking to close at least one more acquisition.

Of course, Equitas could also from a joint venture with a bigger player if it stumbles across something of interest at Garland.

Such a setup would allow the company to carry on as a project generator, as well as an early-stage exploration specialist.

Again, Equitas' management team not only boasts focus and panache, but expects good things to happen and plans for success.

And good things could happen quickly, given the company's many talking points, such as its highly prospective land base and its strong exploration team.

Indeed, it won't take much to capture the imagination of a market that has struggled for too long through a vicious downturn.

Moreover, Equitas' tight share structure suggests that if the company does find something, this Vancouver-based junior could be one firecracker of a stock.

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