



Transcript of update interview with Mr. Hans van Hoof



Chairman and CEO of NSGold Corp. & NSX Silver Inc.



TSX Venture Exchange: NSX & NSY

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Mr. Hans van Hoof - Chairman and CEO of NSGold Corporation & NSX Silver Inc. Mr. van Hoof has held senior positions at various European financial institutions, including PVF Pension Funds, Paribas Capital Markets and Bankers Trust. His roles during the past 22 years include senior Portfolio Manager, senior Risk Manager, Deputy Head of global equity derivatives, Managing Director responsible for M&A arbitrage, derivatives arbitrage and venture capital investments as well as Chairman and Senior Executive Officer of Soros Funds Limited in London.

In 2002, Mr. van Hoof founded VHC Partners alternative investment management group, active in hedge fund management, corporate and project finance advisory services, private equity investments and charitable projects.

Smallcaps.us: Hi everyone, thanks for tuning in to another Smallcaps.us interview. Frequent listeners undoubtedly remember our previous interviews with a representative from NSGold Corporation, a company with exciting mining prospects in Canada and Mexico. Only a few days ago, NSGold spun out its Mexican assets into a new publicly traded company called NSX Silver Inc. With us today is Mr. Hans van Hoof, the Chairman and CEO of both NSGold and NSX Silver. Hans, thanks so much for taking the time to speak with us.

Hans van Hoof: You're welcome.

Smallcaps.us: Hans, there have been a lot of developments at NSGold since our last interview which we'll discuss in a moment, but first let's get straight to the biggest news, the NSX Silver spin-out which was recently completed. Can you tell us what prompted this move?

Hans van Hoof: Yes, it was very straightforward. Our gold assets in Nova Scotia are quite distinct from our big historical silver project in Mexico and the markets just couldn't give credit for both of them.

Smallcaps.us: Now, before the spin-out, along with the silver and gold assets, NSGold obviously also had cash assets and a set of expenditures. How were those items divided between NSGold and NSX Silver?

Hans van Hoof: The cash, especially the investment that was made last year by Sprott, has always been earmarked for the

development of the Dios Padre property, the NSX Silver asset now. So most of the cash went with NSX Silver, so that all near term development plans for the project are fully funded. Basically the cash has been split so that both companies have fully funded programs. Around \$4.5 million went to NSX Silver and around \$1 million to NSGold.

Smallcaps.us: Okay. Now, I'd like to take a look at both companies individually for a moment. NSGold's most important project is the Mooseland gold property in Nova Scotia, Canada. Would you remind us why this property is particularly promising?

Hans van Hoof: Well, a lot of historical workings have been conducted on Mooseland. I think in today's dollars about \$30 million has been spent on it.

We did an initial drilling program at the end of 2010, which was followed by another program at the end of 2011. At the moment, we have 390,000 ounces of gold there but clearly there should be significant room for upside. So that's NSGold's main property.

Smallcaps.us: Between August and November of 2011, a drill program was conducted at Mooseland. What was the purpose of this campaign and what are the results?

Hans van Hoof: Well the purpose was to expand the NI 43-101 compliant resource of 390,000 ounces of gold from June last year. We've published all the analytic results from the 2011 drill campaign, and now all the data has

been sent to MineTech in Halifax to update the 43-101 and give us a new resource estimate. That will probably take another three to five weeks.

Smallcaps.us: That's great. Many shareholders took special note of a certain sentence in your most recent Letter to Shareholders. You wrote, and I quote "NSGold will be the vehicle for our next potentially transformational deal, one that I hope will also alleviate the shares' illiquidity." unquote. This seems to suggest that a significant corporate transaction is on the horizon, is that the case?

Hans van Hoof: We're working hard on it. The main thing is that even if Mooseland comes up with what we hope is there, these days if you're a gold company, and especially a junior exploration company, you need a couple million ounces of gold or it's difficult to attract the attention of the market. So basically, we need to do something to make sure that the shareholders get the value they deserve.

Smallcaps.us: We're looking forward to that.

Hans van Hoof: Hopefully, we'll see that perhaps in the next couple of months, we'll have another interview with the details on that.

Smallcaps.us: Thanks. Now, regarding NSX Silver, in November and December of 2011, a geological survey was conducted at the Dios Padre silver property in Sonora State, Mexico. Why was this survey conducted, and what were the results?

Hans van Hoof: Well, the main reason we did that was because we had a bit of time on our hands as the spin-out took much longer than initially anticipated. So we did a full geological survey and geophysics, which took a couple of months.

For most companies that's too time consuming, but because we weren't allowed to do any

substantial work on a property as long as the spin-out wasn't completed, we had this window of time.

And we came up with some very surprising results. We found several new anomalies away from the old mining site.

Smallcaps.us: We received some questions about the very large conductive anomaly discovered during the geological survey, which measures 600 metres wide by 800 metres long with a depth of at least 300 metres. I understand this is speculation at this point, but would you share your thoughts on what this could be?

Hans van Hoof: It must be sulphide, that's for sure. As you know, we started drilling at the site, and of course the first several holes went straight into that anomaly to find out what it is. All those cores are at the lab now.

Clearly, there's something there, but first you have to do the physical drilling and analysis to find out what you actually have.

Smallcaps.us: As you just mentioned, a few weeks ago you announced the commencement of a drill campaign at Dios Padre. What are the objectives and when can we expect the first results?

Hans van Hoof: Well the core from the first drill holes has been split and sent to the lab in Hermosillo. The idea is that the first seven holes go into the newly discovered anomalies. Once we have a good idea of what we have there, we continue with the rest of the drill program, which should total around 30 holes.

Smallcaps.us: Great. Thanks again Hans for sharing your thoughts and your time with us. We wish NSGold and its new sister company NSX Silver all the best and we look forward to having you back for an update.

Hans van Hoof: Okay. Sounds good.

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We welcome your questions and feedback regarding this interview at:

<http://www.smallcaps.us/smallcaps-us-gets-the-latest-on-nsgold-and-nsx-silver>

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